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WORLD MARKETS FOR OUR GOODS IMPROVE STEADILY

Our Three Largest Customers Are on Sound Business Basis

HAVE MORE TO SPEND

Canada Did Half Her Own Financing and Sent $100,000,000 Abroad as Well

A factor dominating the business situation at the close of 1925 is the position of the chief buyers of Canadian goods. Our three largest customers—the United States, the United Kingdom, and Canada—have improved steadily in buying power, and are now on a sound basis. Virtually since the beginning of the depression in 1921, the big deterrent to business here has been the unhealthy state of business abroad. The recovery of buying power here and abroad, through a substantial, if slow, speeding up of trade and industrial activities, is the one factor that can accelerate the movement of Canadian business in 1926.

The United States is the largest buyer of our goods and materials, ourselves excluded. Last year the net value of the products of all our industries was probably something over $3,500,000,000, and of this amount the United States purchased $417,457,171 worth, during the fiscal year ended last March. Taking these figures into account, it needs no argument that the eminently strong position of business in the States is one of the largest factors in our business situation. All the current reviews of conditions there point to the remarkable volume of production and an unusual absence of stocks on hand, to the unprecedented trade turnover, to the strength of business and financial optimism reflected in the phenomenal, sustained rise in the stock market, to the outlook for continued prosperity in 1926.

Great Britain is the second largest outside buyer of our products. Last year the United Kingdom, including Ireland, bought approximately $400,000,000 worth from us, against $360,000,000 the year before. Monthly figures indicate that there is a steady rise such as is represented by the two totals shown. Since the first adverse effects on British industry, of sterling's recovery, have passed, the internal trade and business position of the country have steadily strengthened. The removal of the loan embargo promises to make radical extensions in trade. A decided improvement is noted in the steel and woollen trades, in comparison with a year ago, and the current monthly letters of the banks, normally conservative in their viewpoint, are unanimous in their optimistic outlook.

No one has yet figured out the volume of Canadian goods and raw materials sold to Canadians, but there is no risk in the assumption that we are our own largest customer. We shipped abroad last year only slightly over $1,000,000,000 worth of goods, while we produced a net value of something like $3,500,000,000, as already stated. Allowing for a constantly unsold margin, the balance was sold by Canadians to Canadians. It is therefore a highly important matter that domestic buying power, as represented by such factors as bank savings, current funds available from dividend and interest payments, funds available for investment here and abroad, and similar barometers of spending ability, has accumulated to such a remarkable extent as the figures show. Savings deposits in the chartered banks of the country are now $1,270,000,000, a figure which has been exceeded or even approached only once in the history of the country, and that during a period of intense inflation—1921. In the month of January alone, more than $31,000,000 will be distributed as earnings and interest from industry. During the year Canadians have been able to invest more than $229,000,000 in municipal, government and corporation bonds, and have shipped abroad something between $75,000,000 and $100,000,000 to help finance other governments and the industries of other countries.

That so large a volume of buying power is available in the three countries where the bulk of Canadian goods are sold, augurs well for the sale of our products in 1926, especially as business and industry alike are awake to the possibilities involved.

Petrol Oil and Gas Has Deal With Union

Petrol Oil and Gas directors declared a 2 per cent. dividend on the 817,000 shares outstanding, involving the distribution of $16,340. The financial statement showed $11,000 net earnings. The company has made a contract with Union Natural Gas for sale of its gas at 25 cents per 1,000 cubic feet and negotiations are on for sale to Union Co. of Petrol's Dover leases. A deal seems likely. At the same time, the company is negotiating to purchase leases on 20,000 acres in a producing oil and gas section in Western Ontario. The outlook for the new year is said to be for much higher earnings. Petrol stock, which has sold all year around 5 cents, is now holding around 12-13.

$222,000,000 New Wealth Created by Canada's Mines, 1925

Canada's mines produced $222,000,000 new wealth in 1925. This is near the 1920 record.

Indications are that the 1920 record will be materially surpassed in 1926.

Metallic mineral producing mines will increase and enlarge during the year. This is particularly true of the gold and silver mines of Northern Ontario and the base metal mines of British Columbia.

Big things are to be expected of Canada's coal mines in 1926. The western mines are getting into their stride with no signs of labor troubles, while the possibilities of a prolonged industrial peace in the Nova Scotia mines are great.

Another factor which may add in a big way to the mineral output of the country is the possibility of a large important oil field opening up in Alberta. Authorities [illegible] agreed that the outlook [illegible] has never better.

The mining situation is reviewed in detail on pages 8 and 9.

ONT. MALLEABLES IS ABSORBED IN STEEL MERGER

Will Be Linked With McKinnon Industries and Williams Company

Following on the developments by which the McKinnon Industries, Ltd., of St. Catharines and Buffalo, and the J. H. Williams Co., Ltd., passed under the control of Neil R. Sinclair and associates, it is announced that the Ontario Malleables Co., Ltd., Oshawa, has also been acquired by the Sinclair group. It is understood that the companies referred to will in future be operated under one management. Steps have already been taken in regard to public financing through the issue of $1,000,000 bonds of the McKinnon Industries.

Neil R. Sinclair, who has been the moving spirit in the formation of this steel merger, is a young Canadian who has resided during the past few years in New York and London. He saw the opportunity for securing control of the McKinnon enterprise by stock purchase and then arranged to raise the capital to finance the proposition. The project is now being rounded out by bringing in the other two companies referred to.

The Ontario Malleables Co., Ltd., is one of the largest and best equipped malleable foundries in the country. Among their most prominent accounts are General Motors, Ltd., the Massey-Harris Company, Ltd., Canadian Acme Machine Company, Ltd., and others.

Total net assets of the Ontario Malleables Co., Ltd., are in the neighborhood of $1,000,000, and it is understood that the sale was a strictly cash transaction. It will be recalled that Mr. Sinclair and associates recently acquired control of the McKinnon Industries, Ltd., of St. Catharines and Buffalo, and also of the J. H. Williams Co., Ltd., and it is understood that these companies will be operated under one management.

"SPOT" SHORTAGE IS NOT SERIOUS

Prices in New York Just About Mill Quotation Plus the Freight Charges

From Our Own Correspondent.

MONTREAL. — The demand for spot newsprint this autumn has been exceptionally strong, and, in some quarters, is regarded as a good omen for the demand during next year. However, the favorable aspect of this evidence must be discounted to a considerable degree. Through the latter part of the present year it was a generally accepted thing that the prevailing price of newsprint in 1926 would be $65 a ton—a cut of $5 from the 1925 price. It was natural then that manufacturers throughout North America, in view of the announced cut in price, decided to close the year with stocks as low as possible. Many of the mills have done this, and, coupled with the usual seasonal increased demand in the United States, has brought on the shortage of newsprint.

In any event, the supposed shortage cannot have been as severe as it has occasionally been pictured, for if there were any real shortage of spot paper, prices would have had a tremendous rise. Instead of which, prices on the street in New York have been just about the mill price, plus the cost of freight to that centre.

Wildcat U.S. Mining Shares Offered by Mail

Colorado mining stock propositions, that cannot be unloaded in the States, are being offered in Canada, through the mails. Winnipeg has protested to the U. S. postmaster-general, calling attention to some of the wild statements that are being made in literature sent through the mails. The matter was brought to the attention of the Manitoba Utilities Commission, which has taken the matter up.

CANADA GETTING BACK HER HOLD ON BACON MARKET

Farmers Co-operating to Get Back to Pre-War Standards

One of Canada's important basic industries showing gradual but steady improvement is the packing industry. Such events as the signing of the Locarno pact recently, which have a tendency to clear the air in European and international affairs, are factors in this situation in relation to export business, but principally the betterment is in the economic recovery within the industry from the period of depression which came with the post-war adjustment. In this depression the packers suffered with the farmers with whom they are so closely allied in the marketing of livestock products, and the improvement in the packing industry is a reflection of the improvement in the livestock industry.

It need hardly be mentioned here that the war had the effect of violently changing world markets and sources and volume of supply. But in regard to the packing industry, it may be well to point out that back in 1913, prior to the outbreak in Europe, Canadian hog products, led by Canadian bacon, were holding a very strong position both in regard to quality and quantity in the British market. Then came the war with its demands for quantity, quantity—fat became just as valuable as lean meat and quality was forgotten. The effect in Canada was to induce the farmers to raise as many hogs as possible and get them to market as soon as they could. The high standard of Canadian bacon went by the board. In fact, Canadian bacon was pooled with American, and for the time being identity was lost in that of the fat products of the United States.

After the war, the British government for a time gave up control of the bacon market, but there was a demand that control be resumed, and when it was, the government found itself with immense supplies of poor quality which were later forced on

(Continued on page 9)

Smelters' Gain in Year Has Been 133 Points

Did you buy Smelters a year ago to-day?

It was then selling at 49-50. Today it is around 183.

In the intervening 12 months the shares have shown a profit of 133 points, or more than 5 times their par value.

The previous high was back in the last week of October when 168 was reached. Then came a reaction, the first serious one and the price dropped back to a low of 144 in November. The latest move started about the middle of December, but in the last week the advance has been about 25 points.

There has been little definite news whatever to justify such market action and there was nothing in the statement that accompanied the recent bonus announcement to account for the new rise, yet the tip is being peddled quite freely that the shares are going to ten times their par value.

Wolvin Would Make Canada Independent in Regard to Fuel

HALIFAX.—Imposition of customs tax on anthracite screenings, cancellation of drawback on foreign coal used in steel manufacture and tax on foreign coal used for bunkers were among a list of suggested changes to the fiscal system proposed by Roy M. Wolvin, president of the British Empire Steel Corporation, when making his final appearance recently before the Royal Commission investigating the coal industry in Nova Scotia. Mr. Wolvin urged a national effort to make Canada independent of the United States in the matter of fuel, and declared that if that object was achieved Canada would be independent of the United States in practically every other respect. A coke substitute for anthracite, he believed, would achieve this end, and although it would take years the effort would bear fruit in constantly increasing progress. It would need government assistance.

Mr. Wolvin declared a return to the 1917 rate of wages to the coal miners was necessary if the industry was to proceed and believed the miners would find themselves just as well off at those rates as they were in 1917 or better.

Public Borrowing Less; Industrial Issues Greater

Total Volume of Canadian Bonds in 1925 About $100,000,000 Less Than in 1925—One Result Was Greater Demand for Foreign Securities

The bond market has been practically at a standstill for the last week of the year, although prices have remained firm, as a result, no doubt, of the abundance of funds made available for January investment from bond interest and dividends. A number of industrial issues are taking shape but not much large municipal financing is expected to come forward for two or three months.

Summing up the year's operations in the Canadian bond market, it is now apparent that the total volume of bonds of Canadian companies sold is nearly $100,000,000 smaller than that of last year, and approximately the same as the 1923 figure. The revised total as computed by The Financial Post is $477,822,925 up to the last week of December, which is practically the total for the year. This compares with a grand total of $580,495,491 for 1924 and $493,143,667 for 1923. The total presented includes all issues of Canadian companies, all municipal, government and railway bonds including some short term financing. It does not include that portion sold in Canada of the issues of United States firms with Canadian subsidiaries. The grand total is divided in the following proportions between government, municipal, corporation and railway bonds:

	1925	1924
Government ...	$266,000,000	$266,757,500
Municipal	50,500,000	86,701,511
Corporation ...	119,559,938	69,661,480
Railway	41,762,987	157,375,000
	$477,822,925	$580,495,491

While the bulk of the total shown above was sold in the Canadian market, United States investors and institutions took a volume only slightly smaller than that sold in Canada, and British investors took just a sufficient quantity to show that the British are again interested in Canadian offerings. Approximately $229,355,000 worth was sold in the Canadian market; $219,789,000 in the United States and over $28,000,000 in Great Britain.

While Canada borrowed approximately 52 per cent. of her required funds outside the country during the year, Canadian investors were shipping a considerable volume of funds abroad for the development of industry elsewhere. It is impossible to arrive at an absolutely accurate statement of the total volume of foreign bonds sold in Canada since these sales are not recorded. On reliable information, however, it is estimated that the total of foreign sales in Canada for the year was little short of $100,000,000. In other words, Canadians sent abroad, a sum of money aggregating more than one-fifth of the total required for all Canadian financing, both federal, provincial, municipal and corporation, including railway financing. It is evident that there is no shortage of available funds.

Canadian issues maturing in the United States during the coming year are said to total $182,249,000 in comparison with $284,580,850 in 1925 and $124,434,300 in 1924. The total is made up largely of federal, provincial and municipal issues, and the maturities are well distributed over the year.

Irish Free State Has Lost Out in Boycott

Special Correspondence.

DUBLIN.—The recent settlement arranged between the Imperial government and the Irish Free State government, in which a number of existing claims were wiped out and a new start made, is regarded as a step forward in bringing British and Irish economic relations in line.

At the present time, the Irish are maintaining a stiff antagonism in trade relations with the rest of the British Isles. They have raised customs duties to the point where free interchange of goods is difficult and in other ways have made it difficult for British traders to hold their own in the Irish market. In fact, the antagonism has gone to the point where the Irish have placed important contracts with German firms rather than allow British firms to tender for the business.

The Free State has lost out by this virtual boycott of British goods and is finding difficulty in selling its own produce in England, which has gone to Denmark for eggs, butter, etc.

The situation is expected to bring its own remedy, as the Free State leaders realize more and more the economic inter-dependence of Britain and Ireland.

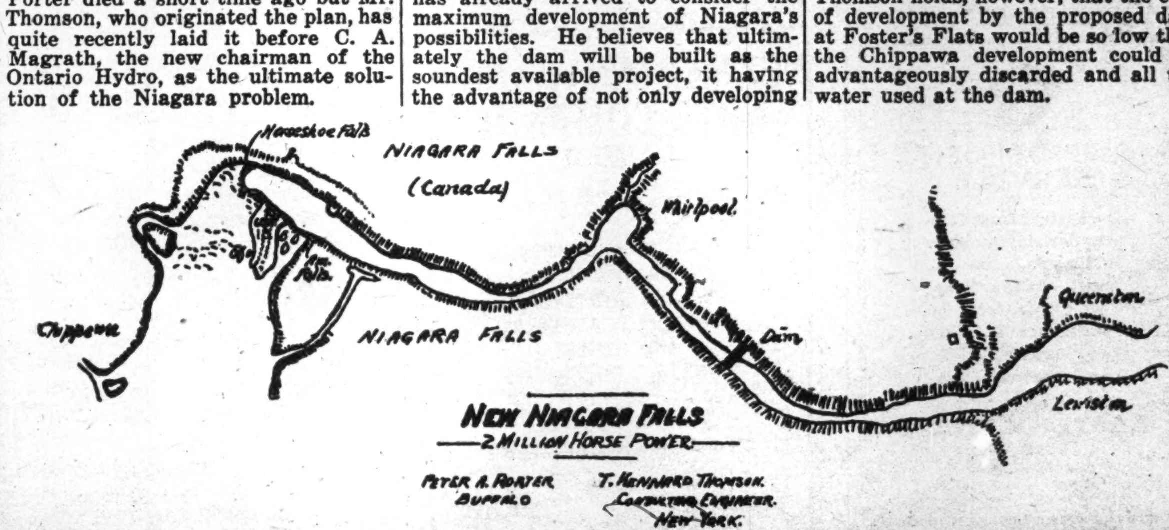
Submits Plan to Hydro Commission to Develop 2,000,000 H.P. by Building "Niagara Junior"

In the consideration of various plans for the development of an increased amount of hydro-electric power from Niagara Falls, thus obviating the necessity for the erection of steam plants to meet the situation, the Ontario Hydro-Electric Commission has before it the project to build a dam in the Niagara gorge at Foster's Flats and thus create a second fall from which the full volume of water in the Niagara River could be made available. This scheme was originated by T. Kennard Thomson, a well-known New York engineer, and was developed in co-operation with Peter A. Porter. It was submitted by them to the Federal Power Commission at Washington in 1921. Mr. Porter died a short time ago but Mr. Thomson, who originated the plan, has quite recently laid it before C. A. Magrath, the new chairman of the Ontario Hydro, as the ultimate solution of the Niagara problem.

When the plan was submitted to Washington it was estimated that "Niagara Falls Junior" would develop 2,000,000 horse power at a cost of $100,000,000 or $50 a horse power. Power developed on such a basis could be sold at $10 a horse power compared with a cost—figured at that time—of between $70 and $90 a horse power at steam plants.

It is about fifteen years since Mr. Thomson, who from boyhood had been acquainted with conditions in the Niagara district, conceived this plan of damming the river. At that time he felt that he was a generation too soon to see the adoption of the idea. However, so great has been the advancement in the direction of power development that he believes the time has already arrived to consider the maximum development of Niagara's possibilities. He believes that ultimately the dam will be built as the soundest available project, it having the advantage of not only developing the maximum of power but of doing so at a minimum of cost and without interfering with the flow over the falls. Further he contends that under this plan there would be no further diversions from the course of the river—and diversions he regards as extremely dangerous, as tending to increase the danger of ice blockades in the spring.

The Thomson project will no doubt have the full consideration of the Ontario Hydro, together with other plans for further development at Niagara. It would have to be particularly considered, however, in its relation to the Chippawa development in which heavy investments have already been made. To place a dam in the river might affect the present power building. Mr. Thomson holds, however, that the cost of development by the proposed dam at Foster's Flats would be so low that the Chippawa development could be advantageously discarded and all the water used at the dam.



SOVIET TRADERS OPEN CANADIAN BANK ACCOUNT

Co-operative Bodies Expect to Place More Orders in Canada

SPECIAL ADVISER HERE

Economic Expert Pays Flying Visit to Aid Plan of Developing New Trade Relations

Montreal, Toronto and Brantford were visited this week by E. F. Wise, representing Soviet co-operative societies. Mr. Wise, who is economic adviser in respect to foreign trade to the central union of Soviet Russian Co-operative Societies, conferred with bankers and manufacturers regarding extension of trade relations between Canada and Russia.

As a result of Mr. Wise's visit, it is understood that the Rusisan co-operatives have established banking connections in Canada. Mr. Wise is visiting the continent surveying the United States and Canada as markets for Russian goods; helping to cement buying connections here and arranging banking relations between Canadian organizations and the Moscow Narodny Bank, the London bank of the Russian Co-operative Societies. As economic adviser, Mr. Wise's work is of a very broad character and he has not actually been placing orders.

More Orders for Canada

Mr. Wise indicated to The Financial Post that Canadians are certain to get further orders from the Russian co-operatives. These are likely to be restricted to orders for agricultural machinery, as this is one of the few products of Canadian effort for which Russia supplies a market and that is not produced in Russia on a scale sufficient to meet home demands. Farm implement orders have been placed and will continue to be placed on behalf of both the co-operatives and the Soviet government, although the government buying agencies will be used to a large extent by both bodies. These are the Amtorg Trading Corporation of New York and the Soviet government trade office at Montreal, where Louis Kon, formerly publicity manager for the Montreal Light, Heat and Power Cons., has recently been appointed commercial manager.

Work of Co-operative Bodies

Mr. Wise supplied The Financial Post with an outline of the scope and activities of the Russian co-operatives. These co-operatives, which date back to the last century, have come back to important economic significance in the past few years, since the business stabilization of Russia has been proceeding.

These co-operative organizations include about 48,000 shops selling all kinds of merchandise and with about $1,822,000,000 of annual sales; about 50,000 agricultural societies with total turnover of about $500,000,000; about 11,500 peasant handicraft organizations, in addition to co-operative banking and other organizations.

The central body does buying and marketing, as well as large scale banking for all the organizations.

Public Record of Mr. Wise

Mr. Wise, who is an Englishman, forty years of age, has been in the British government service most of his life. After the usual fine education accorded the British youth intended for a life of political service, he became a junior clerk of the House of Commons at 22. He was secretary of the Anglo-Russian Supplies Committee of the war office 1914-15; assistant director of army contracts in charge of clothing and raw materials, 1916; second secretary of the Ministry of Food, 1917; chairman of the Inter-Allied Oilseeds Executive and member of Food Council, 1918; and one of the British delegates and chairman of sub-committee on Germany of the Supreme Economic Council at Paris in 1919. He has occupied his present post since 1923.

Mr. Wise left Canada for Chicago this week.

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The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

WEST IS PLAYING A LARGE PART IN COUNTRY'S GROWTH

Realizes More Than Billion Dollars Yearly From All Industries

The contribution made by the West to the progress of the entire Dominion was never so prominent as it is to-day. Although on a less spectacular scale than a decade ago, the westward swing of population is still an important economic factor in the Dominion's growth. At the beginning of the century less than one-tenth of the total population lived west of the Lakes. To-day more than one-quarter of Canadians are westerners. Then the population of that area had little spending power beyond that for personal needs. To-day the revenue of the West is on a yearly basis of more than a billion dollars. Nineteen-twenty five has been the West's most prosperous year, and from a marketing standpoint, that section of the country was never so important to the East as it will be during the next few months. Some of the factors determining the importance of this contribution are agricultural and industrial production, freight shipments and bank clearings.

Forty years ago the farm produce of the West was negligible in so far as an exportable surplus is concerned. In 1924, the four western provinces produced nearly $690,000,000 worth of these products. Field crops alone amounted to more than $430,000 000. In 1925, according to The Financial Post Survey. the farm revenue of the West was $902,713,000. The vast importance of this to the rest of the country is seen when one considers the raw materials provided in this huge production, for the plants and mills of the East—the freight revenue provided for the railways and steamship companies—the labor for thousands of unemployed in the East each year. On the other hand, it releases several hundred million dollars to be spent on equipment, clothing and manufactured products from the East. The very fact that the West is not self sufficient from a manufacturing standpoint is a most important matter to the eastern distributor.

Transportation Companies Benefit

While the long hauls necessary to carry freight and passengers between east and west are often blamed for the present unsatisfactory position of some of our railways, it cannot be denied that the vast volume of freight originating west of the Lakes is one of the chief factors in railway profits. Forty years ago and less the amount of freight originating in the West was negligible. All the freight movement that did exist was westward, since the settlers did not produce sufficient quantities of farm products to more than meet their requirements. Most of the grain produced was used for feed and seed. To-day the railways of the country are supported by the vast volume of business arising out of the shipment to seaboard and to the east of the millions of tons of farm products. Moreover, the demands of the West for equipment and supplies from the East is a vastly important matter to the country as a whole. During the calendar year 1924 the total volume of freight received by the railways, originating in the West, amounted to 25,117,483 tons. While it is difficult to arrive at an accurate estimate of the value of this volume of freight, an average of $50 per ton would bring the value of shipments made to $1,200,000,000. What this means to the whole country in steamship and railway costs, and in wages, is evident.

The total of bank clearings in the clearing-house cities of Western Canada during 1924 amounted to $3,648,259,614 as against $2,601,700,000 in 1914. Following the bank clearing figures back only a few decades, they disappear entirely. Before the beginning of the present century there were only a few scattered branch banks west of the Lakes. To-day there are 1,150 branches of the chartered banks, in the four western provinces. The deposits received by these 1,150 branches form a surprisingly large part of the current deposits of the chartered banks. Since the banks have branches throughout all the provinces, and depend upon the surplus funds in one section to develop the industries of another, this addition to the banking funds of the country, made by the West, is of tremendous importance.

From a manufacturing standpoint, the West has contributed little, as yet, to the country at large. The interest in this respect is purely from a marketing point of view. It is evident that the one-quarter of the population living west of the Lakes is an extremely important quarter of the country, and the distributing organization which is not laying very definite plans to capitalize this during 1926 has not studied the situation.

Canadian Business Indicators

INDUSTRIAL

	1925	1924
Car Loadings—		
Week Dec. 19	64,771	46,915+38.8%
Yr. to date	2,943,491	2,861,564+ 2.8%
Grain Receipts—		
Aug. 1 to Dec. 18	256,591,089	167,461,616+53.3%
Building—		
November	7,698,082	9,913,935—22.3%
Railway Earnings— 11 Months—		
C. P. R.	163,537,460	166,811,984— 1.9%
Oper. Exp.	128,209,477	133,314,044— 3.8%
Net	35,327,983	33,497,940+ 5.4%
C. N. R.	221,119,532	216,271,446+ 2.2%
Oper Exp.	194,203,327	201,787,478— 3.7%
Net	26,916,205	14,483,968+85.8%
Pig Iron Output—(tons)		
10 months	446,973	547,486—

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	1925	1924
Bank Clearings—		
November	1,633,085,136	1,652,702,601— 1.1%
Savings Deposits—Chart. Banks—		
October	1,277,588,281	1,189,086,750+ 7.4%
Current Loans—By Banks—		
October	906,249,140	981,111,418— 7.6%

COMMERCIAL

	1925	1924
Balance of Trade— 12 months, Nov. 30—		
Exports	1,219,861,088	1,057,508,866+15.4%
Imports	874,295,547	812,854,157+ 7.5%
Balance	345,565,541	244,654,709+41.3%
Wheat, No. 1 Nor., Winnipeg—		
	Dec. 28, $1.61	Dec. (Av.) $1.72
Cattle—(Good, Toronto)		
	8.00	6.47
Hogs—(Select, Toronto)		
	12.75	10.12

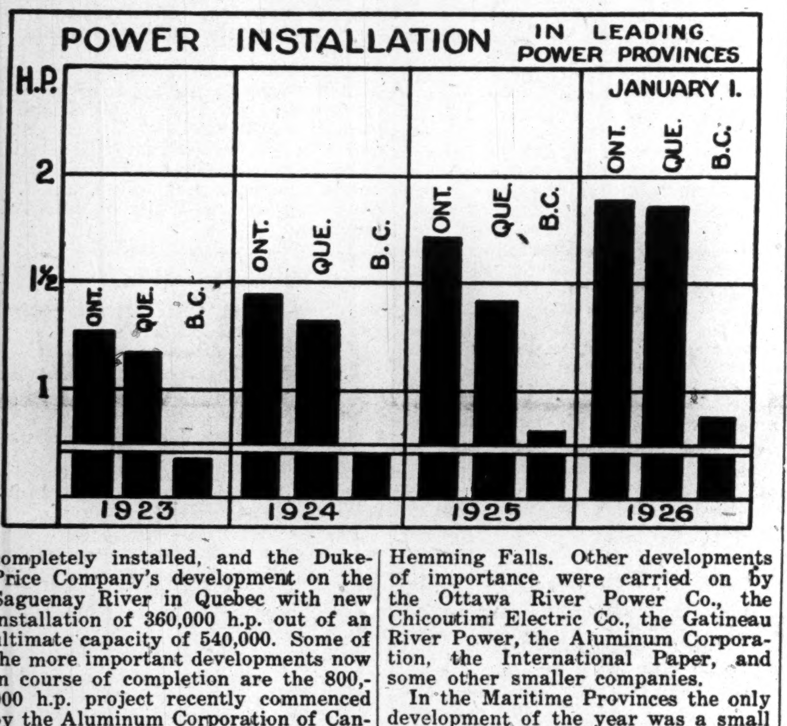
Quebec Leads Provinces in New Power Installed

Past Year's Operations Have Added 719,000 H.P., and 250,000 More Will be Completed Early in 1926

Nineteen-twenty-five has been a year of remarkable development in the production of hydro-electric power throughout Canada. The outlook presented for 1926 is for a further increase in this yearly expansion. The total installation in the Dominion is now 4,290,000 horsepower, an increase of 719,000. This was the largest addition in any single year on record. Projects already under way will make a further addition of 250,000 h. p. in the early part of the present year. Details of the year's work are set forth in a report just issued by the Dominion Water Power and Reclamation Service.

The past year has marked the coming into operation of certain huge power enterprises which have been in course of construction for some years. The most important of these are the Queenston development of the Ontario Hydro-Electric Power Commission on the Niagara River with 500,000 h.p. developments of the Ontario Hydro Electric Power Commission, a number of important private enterprises were completed as well. The Commission added two units of 55,000 h.p. each to the Queenston plant, thus bringing this, the largest completed development in the Dominion, to a capacity of nine units and 500 000 h.p. Among the activities of private companies the Abitibi Power and Paper Company acquired the 24,000 h.p. development at Island Falls, on the Abitibi, from the Hollinger Consolidated Gold Mines, and added 24,000 h.p. to its capacity.

The most important development in Quebec was the Isle Malign development of the Duke-Price Power Co., on the Saguenay, with an initial installation of 360,000 h.p. This is expected to be brought to 480,000 by February. In the Eastern Townships the Southern Canada Power Co. completed the installation of a 37,800 h.p. plant at



completely installed, and the Duke-Price Company's development on the Saguenay River in Quebec with new installation of 360,000 h.p. out of an ultimate capacity of 540,000. Some of the more important developments now in course of completion are the 800,000 h.p. project recently commenced by the Aluminum Corporation of Canada at Chute-a-Caron on the Saguenay, and the British Columbia Electric Railway's operations on the Bridge River. Quebec made the largest addition for the year, 438,300 h.p., and Ontario came second with new installations of 200,000. British Columbia added 58,984 h.p., and Manitoba, 21,900.

Expansion in Many Areas

The progress of the year is well distributed from coast to coast. The 58,984 h.p. addition to British Columbia's total was contributed by two developments, the Stave Falls plant of the B. C. Electric Railway Co., and the Lower Bonnington Falls plant of the West Kootenay Light & Power Co. Of prospective developments in the Coast province, the most important is that of the B. C. Electric on Bridge River. During the year the company exercised its option for the purchase of all the shares of the Bridge River Power Co., and has drawn up a program of development. The ultimate development will be from 550,000 to 700,000 h.p.

The increase of 21,900 h.p. in Manitoba's total during 1925 was in the Point du Bois plant of the city of Winnipeg on the Winnipeg River. Three units of 7,300 h.p. were added and contracts were awarded for two further units of the same capacity for delivery in 1926. This will bring the plant to a full capacity of about 104,000 h.p.

While Ontario's 199,750 h.p. addition was chiefly accounted for by Hemming Falls. Other developments of importance were carried on by the Ottawa River Power Co., the Chicoutimi Electric Co., the Gatineau River Power, the Aluminum Corporation, the International Paper, and some other smaller companies.

In the Maritime Provinces the only development of the year was a small installation of 245 h.p. in the Annapolis plant in Nova Scotia.

A number of projects are definitely planned, among which are the development of Grand Falls, on the St. John River, the Great Falls development of the Bathurst Company, the Nova Scotia Power Company's proposed addition to the capacity of the storage dam at Lochaber Stillwater on East River Sheet Harbor.

The year's progress in the various provinces is illustrated by the following statement of turbine installation at the beginning of this year and last, respectively:

Turbine Installation—Horse Power	Beginning of 1925	1926
British Columbia	355,722	414,706
Alberta	34,107	34,107
Saskatchewan	35	35
Manitoba	162,025	183,925
Ontario	1,585,182	1,784,932
Quebec	1,308,106	1,746,406
New Brunswick	44,656	44,656
Nova Scotia	63,957	64,202
P. E. I.	2,276	2,275
Yukon	13,209	13,209
	3,569,275	4,288,453

ALBERTA'S EGGS TO BRITAIN

CALGARY.—It is estimated that during the past year 60,000 cases of eggs and 5,000,000 pounds of poultry were exported from Alberta to Eastern Canada and the Old Country. It was only a few years ago that this province was a fairly extensive importer of eggs and poultry, but active campaigns by the provincial government and other interested bodies have reversed this situation.

NET EARNINGS OF RAILWAYS INCREASE

C.P.R. Will Have the Best Year Since 1917 — Nationals Increase Revenue at Lower Cost

MONTREAL.—At the end of November the net earnings of the Canadian Pacific Railway Company were nearly $2,000,000 ahead of those of the first 11 months of 1924, while the weekly reports of gross to date indicate a splendid 1925 showing. As the first three weekly statements of the final month of the year have shown an increase of nearly $3,000,000, or over 27 per cent., over the corresponding periods of 1924, it can be reasonably assumed that the year 1925 will be found to have resulted in an increase of well over $3,000,000 in net earnings.

It was the best November the road has had since 1915, and the second best on record, although in 1923 the November gross exceeded that of this year by $3,000,000. The cumulative record for the 11 months of the year shows gross at its lowest since 1919, but net for the period at its highest since 1917.

Gross earnings, working expenses and net profits for the month of November and for the eleven months are compared in the following:

	1925	1924
November—		
Gross	$19,294,184	$18,100,945
Working expenses	13,046,149	12,071,064
Net profits	6,248,034	6,029,881
Eleven months—		
Gross	163,537,460	166,811,984
Working expenses	128,209,477	133,314,044
Net profit	35,327,983	33,497,940

For November net revenues of the Canadian National Railways, after the payment of operating expenses, were $6,430,484, an increase of $2,716,180, or 73.13 per cent. over November, 1924, and of $1,822,107, or 39.54 per cent., over 1923.

For the eleven months of 1925, January to November, inclusive, the net revenues of the National System have amounted to $26,916,205, as compared with $14,483,968 in the same period of 1924, and $16,723,089 in 1923. The details follow:

NOVEMBER	1925	1924	Inc. Per Cent.
Ry. Op. Rev.	$24,675,451	$20,946,123	17.80
Ry. Op. Exp.	18,244,967	17,231,819	5.88
Ry. Op. Net	6,430,484	3,714,304	73.13
ELEVEN MONTHS			
Ry. Op. Rev.	221,119,532	216,271,446	2.24
Ry. Op. Exp.	194,203,327	201,787,478	3.76
Ry. Op. Net	26,916,205	14,483,968	85.83

xDecrease.

Big Export Business in Sugar in November

OTTAWA.—A feature of the Canadian sugar statistics, issued by the Dominion Bureau, is the export business for the month of November, which shows a total of 5,930,700 pounds of refined sugar, valued at $342,786, sent out of this country during that period, as compared with 741,900 pounds, valued at $58,534, in November of last year. Such a showing is in keeping with the expansion that has been shown throughout the year, when compared with 1924, and must find its reflection in the earnings of those sugar companies who do an export business.

The rest of the report deals with the four-week period ended with December 5, and generally shows an improvement over the corresponding period of last year. Receipts of raw sugar during the four-week period show an increase of over thirty million pounds, while from the first of the year to December 5 there is an expansion of over three hundred million pounds. For the four-week period domestic shipments are higher by twenty-two million pounds, while from the first of the year to December 5 there is shown an increase of ninety million pounds.

Export business during the four-week period above referred to showed an increase of nearly eleven million pounds, when compared with the same period last year, while for the period from January 1 to December 5, there is shown an increase of over 223 million pounds.

Ten Per Cent. Increase in October Freight Traffic

Freight traffic on the Canadian railways during October was 10.8 per cent. higher than for October, 1924, although it was somewhat lower than for the corresponding month of the two previous years. The revenue ton miles for the two months, September and October, was the highest ever recorded for a corresponding period. The movement of the grain was advanced by the early harvest. Car loadings passed the 70,000 mark the week ended September 19, remaining above that point for twelve consecutive weeks, whereas in 1924 they were over 70,000 cars for only three weeks, and in 1923 for only seven weeks.

Revenues for the month aggregated $48,722,639, an increase over 1924 of $4,369,078, or 9.9 per cent. At the same time operating expenses showed very little change. Maintenance of way and structures expenses were reduced $367,564, or 6 per cent. Maintenance of equipment expenses were increased $633,819 or 9.8 per cent., and the total expenses were greater by $407,221 or 1.3 per cent. The net operating revenue was increased $3,961,856 and the operating ratio was reduced to 65.71 per cent. which is the lowest since these monthly reports were inaugurated, (January, 1920). The average freight receipts per ton mile were increased from .920 cents in 1924 to .934 cents which, with no increases in grain rates, would indicate an increase in volume of higher class freight.

FLORIDA BOOM IS AID TO NOVA SCOTIA

Good Business Being Done in Building Materials With Southern State

From Our Own Correspondent.

SYDNEY.—Benefiting at last from the great Florida boom, Nova Scotia is now shipping building material as well as winter tourists to the Palmetto State. By the end of the year 200,000,000 laths, valued at over $1,000,000 will have been shipped to Miami and other centres and numerous small mills in the province are turning out from 10,000 to 20,000 a day. Although the Florida boom may not last, Nova Scotia lumbermen hope to win a large permanent trade throughout the Southern states in general by grasping this opportunity to demonstrate the superiority of the Nova Scotia spruce lath over the Southern pine lath commonly used there. Nova Scotia mills have a great advantage in being located at tide water. Shipped in Nova Scotia bottoms, materials from this province move freely to their destinations, while 10,000 trains of building material from interior States clutter the railway sidings down south with no guarantee that they will reach the boom centres for weeks or months to come.

B. C. APPLES SOLD IN INDIA

VERNON.—A new market for Okanagan apples has been opened up in India as a result of the activity of the Canadian Trade Commissioner in Calcutta in bringing to the attention of importers at that point the advantage of bringing in Canadian apples, which could be laid down in Calcutta at about half the price which was being paid for apples from the Kashimir.

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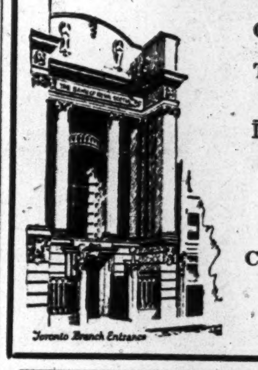

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Sherwin-Williams Holds Attractions for the Investor

From Our Own Correspondent.

MONTREAL.—For the past four years the common stock of the Sherwin-Williams Company of Canada has had an almost steady rise from around 70 in 1922 to its present figure of about 123. Investors in the stock are interested in its past record, which is well illustrated in the accompanying graphs, but are more interested to learn more of the problems which confront the management and the possibilities of future growth. After a more thorough consideration of the various factors which influence the company's earning's, shareholders are in a better position to decide for themselves whether or not the steady appreciation which has marked the past record of this stock will still be continued.

Probably the fundamental factor affecting any business is its management; the best method of sizing up "Paint's" management is to glance at its balance sheet. The capabilities of the management show up in the balance sheet, for with total assets of some $16,000,000, practically one-third of this figure is in liquid assets. Here it is of interest to note that the company does not include with its liquid assets investments totaling well over $2,000,000. Of this sum $1,789,955 represents stock in Lewis Berger and Sons, the largest and most successful British company manufacturing paints, varnishes and allied products, and established in 1760. Taken by and large, these investments might well be included among the current assets, if viewed from any other point of view than that of accounting, for both totals carried in the investment account are well below present market figures.

SCOPE OF SHERWIN-WILLIAMS

Nine paint and varnish manufacturing plants.
Twelve warehouses, situated in the principal cities in Canada.
Two linseed oil mills.
Dry color works.
Insecticide manufacturing plant.
Pyroxylin lacquer plant.
Complete printing plant.
Tin can factory.
Box factory.
Cooperage plant.
Oxide mine, St. Malo, Que.
Power Plant, Montreal.
Lead corroding plant.

Great strength has been woven into the company's structures since its inception fourteen years ago, following a period of twenty years' operation in Canada under the supervision of the parent company. This financial strength, coupled with the fact that the company is the largest manufacturer of paints and varnishes in the British Empire, will indicate to investors that they need have no fear of the company's ability to seize opportunities for profitable business in the future.

There are five companies which are closely associated with the Sherwin-Williams Company. These are the Canada Paint Company, the Martin-Senour Company, the International Varnish Company, the Carter White Lead Company, and Lewis Berger and Sons. With the exception of the last named, all these organizations are controlled by the parent company and the balance sheet which the Sherwin-Williams Company issues annually presents the consolidated accounts of all these companies. Their sales policies, however, are individually directed and their products marketed separately.

The company's brands are widely and favorably known throughout the Dominion, but it has no monopoly on the trade. Through centralized purchasing and control, it has been able to effect economies, which place it in a favorable position with regard to competition.

Lewis Berger and Sons is a subsidiary company, but it is not controlled by "Paint," and the control of the stock is held in England, where the company operates. It manufactures in Australia also: This concern was originally owned outright, but the control was sold in 1921 at a profit to its present owners; however, Sherwin-Williams retained a considerable block of the preferred stock, and this is now carried under the head of "investments" in the balance sheet.

One of the features of Sherwin-Williams' operations is the fact that its purchases are confined to raw materials. Not only does it manufacture and sell its own products, but it has extensive deposits under operation for the production of its own oxides. It produces its own linseed oil in large quantities by the crushing of flaxseed; corrodes thousands of tons of its own lead yearly, and manufactures a large proportion of its tin cans and boxes at its own plant. The company's oxide mine is situated at St. Malo, Que.

Producing its own raw materials in this fashion, it naturally follows that the company's manufacturing costs must be low. In other words, manufacturing costs are probably as low, if not lower, than any other paint manufacturer in the world, due to the broad scope of this organization.

The company was formed in 1911 to take over the Canadian business of the Sherwin-Williams Company of America, the Canada Paint Company, and Lewis Berger and Sons, of London, England. Since its inception, dividends on its preferred stock have been paid without interruption. Dividends on the common stock were not inaugurated until 1920, at which time the company had built up a surplus equal to almost $100 per share on its preferred stock. From this it will be seen that the management have right along pursued a conservative course with regard to dividend disbursements to the shareholders; it is this policy which has built up "Paint's" present financial strength.

Due to the circumstances, surrounding its inception, it is more or less generally thought that stock control of the company is held in the United States. This is not the case, and the holdings of the stock are divided as follows:

Canada	88.5 per cent.
United States ...	10.5 per cent.
Elsewhere	1 per cent.

Of the actual individual shareholders some ninety per cent. reside in this country.

Occasionally in the past, rumors have started about this stock. It has been whispered that there will be a split-up, and, upon occasions, the stock has reflected the bullish nature of the stories. There is little reason to doubt that business generally in Canada in the next year or two will show an improvement. If this be so, Sherwin-Williams will in all probability "cut a melon." Its present financial position would warrant that action to-day, but tne management is conservative and will most certainly not make any changes in the capitalization which would require an added outlay of earnings until such time as it is confident that the higher rates of payment may be continued without any fear of interruption in the future. The company has worked itself into a sound investment position and intends to remain there.

Some indication of the strides which have been made is obtained from the figures of its total sales in 1899. They amounted only to around $1,000,000 a year. This figure, of course, applies to the American company, and includes the results both in the United States and here. To-day the company's expansion may be judged from the gross sales, which run in the neighborhood of $15,000,000 annually; these figures apply to the Canadian company only.

The source from whence comes all this paint, varnish and allied products, consists of nine manufacturing plants in Montreal, Toronto, Winnipeg and Vancouver, and twelve distributing warehouses in the leading cities of this country. Paints from Sherwin-Williams plants now sell in every country in the world and are sold abroad both by the company or one of the interrelated organizations.

There are two interesting points in connection with the production of these paints. The company uses between eight and nine thousand formulae in their production. The total formulae on its files reach a figure just below the 20,000 mark, and the manufacture of the paints requires in all 480 kinds of raw materials.

Now as to the company's sales and the outlook for the future. There are two main channels of distribution for paints: the retailers and the industrial users. In the last group are included the larger corporations which use large quantities of paint annually, either for their products or for their equipment and plant upkeep. A good proportion of the output is marketed also through the wholesaler.

The company's sales of paints through the retailers have shown gratifying increases year by year. Last year was no exception, and there are one or two factors indicative that more and more paint will be sold through this channel.

Sherwin-Williams, through advertising, has increased the retailers' sales of paint, but, in addition, other means have been taken to help the retailer do more business in this line. For instance, for some years now the company has been teaching the retailer to leave his counter and go out among his customers and sell paint. This policy of education has resulted in greatly increased paint sales, especially in the rural districts. That there is room for further expansion in this field may be seen in a comparison between the rural sections of the province of Quebec, where most of the houses are painted and present a very neat and ship-shape appearance, as compared with some of the rural and suburban sections elsewhere in Canada. For the coming year, the hardware trade, taken as a whole, expect to increase their paint sales. Taken by and large, then, it can be taken for granted that Sherwin-Williams will obtain their share of the increased business in this field during 1926.

For many years large quantities of paint have been sold to the large industrial users, such as the railroads and the bigger manufacturing plants. This business has shown a constant increase owing to the service which the company can render. Controlling so much of its own raw material, it is in a position to offer good prices and qualities to this type of user, and, although, generally speaking, since 1921, industrial activity in Canada has been at a fairly low ebb, and corporations have been cutting down on their purchases as much as possible, the Sherwin-Williams' sales to industrials have held up exceedingly well, and, with the general level of business activity moving upwards, any increased activity will be further reflected in this branch of the company's sales.

In view of the better crops in the Canadian West, and other hopeful factors, it is a pretty safe bet that Sherwin-Williams will sell considerably more bulk paint to industrial users in 1926 than in 1925.

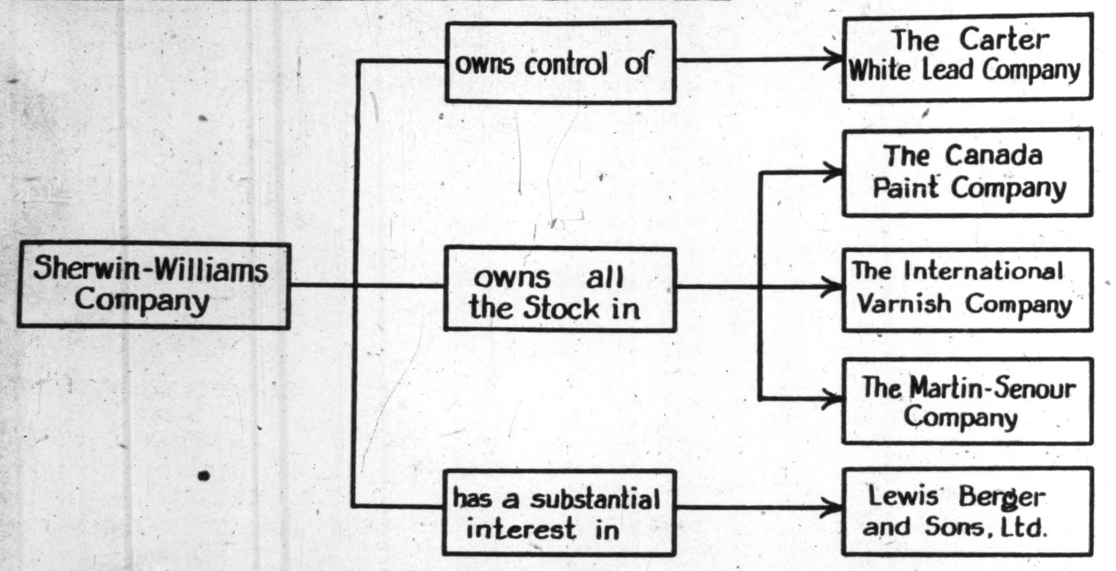
A considerable amount of interest has been focussed on the paint industry of late, due to the perfecting of the new pyroxylin lacquers. This is a new form of protective coating which has made its appearance within the last two years, and, as far as the layman is concerned, has made its greatest strides as a surfacing for motor cars.

This new surfacing is usually applied with a spray, but of late the market has witnessed the appearance of a number of lacquers designed for brushing application, and, hence, for household use, in contra-distinction to the spray method.

It has been stated that the paint industry is now passing through the greatest evolution which it has ever known. Whether this be true or not, latest developments continue to show that while the pyroxylin lacquers are likely to supplant paint and varnish products for a number of uses, there is a distinct field for the employment of each, and both can be developed together by enterprising manufacturers, so that one will stimulate the sale and consumption of the other. The Sherwin-Williams Company have been producing pyroxylin acquers for a long time. Research has been carried on by them for years, and they were among the first manufacturers to place lacquers upon the market as a commercial proposition, and probably the first of all to manufacture them in an experimental way. As soon as the Sherwin-Williams engineers were satisfied with the excellence of the company's lacquers, they were placed on the market; this occurred about two years ago.

In all probability, lacquers will take their place as an indispensable part of the industry; they have already begun to do so, but as yet there is no indication that these new surfacings will be used for such ma-

(Continued on page 15)



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TORONTO 2

The Securities Markets

YEAR-END MOVE ON MARKETS TO HIGHER LEVELS

The Usual Effect of Funds Available at This Season

Market Indicator
20 Industrial Stocks

	High	Low
Week of Dec. 29	88.1	85.9
Week of Dec. 22	86.6	83.9
Mth of Dec., '24	72.6	67.2

The stock markets are winding up the year with a display of strength and an evidence of public interest which would seem to indicate that the forward movement has still considerable force behind it. It might be pointed out, however, that the year-end advance is the rule rather than the exception. At this season there are heavy distributions of dividends and bond interest available for investment and these usually have their effect in enhancing prices. Experience indicates, too, that this situation has in the past frequently been taken advantage of for purposes of liquidation by those who are in a position to take profits and shift their funds to more conservative holdings.

Although there has been a number of spectacular performers during the week, like Smelters and Brazilian, with a number of more conservative issues like Montreal Power displaying strength, the advance has not been general along the line. In fact, as indicated by the following summary, the issues going higher and those recording losses were just about equally divided:

	Gains	Loss	Unch.	Total
Banks	3	2	4	9
Paper	5	2	4	11
Steel	4	7	1	12
Foodstuffs	10	8	8	26
Utilities	7	6	4	17
Tractions	4	1	2	7
Textiles	2	7	1	10
Industrials	10	13	4	27
Totals	45	46	28	119

The paper group and the tractions were the chief performers in the forward movement. Abitibi made several points. An increase in the common dividend is anticipated. It is being pointed out that on its most recent showing there was a substantial margin over dividend requirements. Brompton also advanced in an impressive way and got back close to the high mark of a couple of weeks ago. Laurentide and Spanish also received considerable attention. Wayagamack gained a couple of points. In the tractions Twin City was a leader, sharing attention with Brazilian. The latter, however, dominated the trading and there was heavy buying on the three point rise scored. The action of Twin City in gaining five points indicates that early action in regard to dividend increase is anticipated. Barcelona was in good demand and gained a point.

In the steel group there were more recessions than gains. There was good news regarding orders for Canadian Locomotive, but no transactions in the company's shares to indicate the effect in the opinion of investors. However, the gain by Canadian Car was taken as an indication of improved outlook for the companies in a position to benefit from anticipated buying in rolling stock and other equipment by the railways, which for several years have been curtailing their purchases. The other stocks in this group were quiet or reactionary.

The stocks in the milling and foodstuffs group made a good showing. Atlantic Sugar advanced on the announcement of a definite plan to take care of the trade liabilities of the company. Canada Bread and Christie Biscuits both made gains and Dominion Stores advanced nearly 5 points. B. C. Fishing, which has been one of the outstanding performers in this group in recent months, showed practically no change. Ogilvie Milling was strong, but Western Canada Mills sold off. There were favorable reports regarding the outlook for Western Grocers and the preferred sold up to 53.

In the utilities, Montreal Light, Heat and Power was the outstanding performer with a gain of some five points. At its best price above 219 it almost equalled the high record in October last. Other members of the group were less active, and such leaders as Bell Telephone and Consumers Gas were somewhat easier in price.

In the textile group there were quite general recessions. Dominion Textile common gained a point, but a number of others recorded substantial losses.

The bank group showed less activity than for some time and prices showed little change. However, there is no indication of a reaction despite the strong upward movement which has been experienced by these stocks. Further annual reports indicate that the banks have been experiencing better conditions, but it is evident that those who have been buying the shares are anticipating still better things to come.

As is being further brought out by the annual reports of the banks appearing, and by statements by such bankers as Sir John Aird, there is no shortage of money in Canada for industrial and commercial expansion, and no indication that there will be in the near future. From that standpoint, then, there should seem to be no fear that either business expansion or speculation will lack for money supplies. However, there are certain indications that the business expansion, which has been experienced in the United States on a much more pronounced scale than in this country, is having its effect on money rates; there has been some strengthening in the price of money and the call rate has advanced to 7 per cent. Conditions in the two countries are not at all alike, but the influence of Wall Street on security prices in Canada is not to be ignored. Forecasters of the market in the United States do not believe that the turn has yet been reached, but rather that it will be deferred for some months yet—April or May are mentioned. But it may easily be that the change will come when it is not expected, as such changes frequently do.

STERLING APPRAISAL REPORTS
CERTIFIED by REGISTERED PROFESSIONAL ENGINEERS
Sterling Appraisal Co. Limited
9-11 E. Wellington St., Toronto

SOME ITEMS APPEAR TO BE FICTITIOUS

Crown Calls Attention to Purchase by Hearst Co. of 500,000 Cent Stamps

Items covering the purchase of 500,000 one cent stamps, $28,000 as royalties at 2c. per sheet on music, which appeared on the books of Hearst Music Co., were called to the attention of the court in Winnipeg at the preliminary trial of Jos. X. Hearst. John Allen, K.C., deputy attorney general, in probing into the affairs of the defunct Hearst Music Co., suggested to the court that these items were fictitious and were made to enable the accused to draw upon the funds or stock of the company. Entries also show deposits with Chase National Bank, New York, in which it is stated the Hearst Co. had no deposit account at all. It has come out that Hearst had letterheads printed in Winnipeg bearing the name of a New York bank.

Attention of the Hearst Co. creditor was drawn by crown counsel to two entries in the Hearst books of large amounts purporting to have been deposited in the Chase National bank, New York, and Mr. Armstrong said if there was actually no account at that bank, Hearst would have the privilege of drawing upon a corresponding amount of the company's wealth elsewhere. He could draw upon the cash or stock or any equivalent. Witness said that in his line of business fictitious entries were sometimes discovered.

CANADIAN WESTERN LUMBER

The October earnings statement of the Canadian Western Lumber Co. shows sales of lumber for the month amounting to 13,748,349 feet, realizing $308,255, which compares with 9,215,044 feet sold realizing $211,684 for the same month in 1924. The aggregate sales for the first ten months of the year at 107,652,401 feet realized $2,561,702, and compare with 98,757,042 feet sold during the corresponding ten months last year, realizing $2,441,972.

Food Products

PRICES OF BREAD NOT EXORBITANT IN TORONTO AREA

So Concludes Medical Officer of Health After Thorough Investigation

The current popularity of investigations into the cost of food and other essential products here and in the United States lends interest to an investigation made recently by the medical officer of health of the city of Toronto, into the cost of bread in this district. A number of the leading bakers have been interviewed with a view to learning what are the various factors entering into the costs of flour and bread, and how these are governed.

Taking up first the cost of flour, one of the bakers submitted the following figures showing how the cost of a barrel of flour in Toronto is arrived at with wheat selling at $1.41½ per bushel at Port McNichol:

Cost of wheat	$1.41½
Elevator charge	.01
Freight to Toronto	.084
Cost to miller in Toronto	$1.51
Number of bushels to barrel of flour	4½
	$6.80
Value of by-products	.70
	$6.10
Cost of milling	1.30
Bags	.10
Delivery and discount	.10
	$7.60

While the figure shown above would be the cost of a barrel of flour, provided all the wheat entering into its manufacture were No. 1 Manitoba Hard, bread flour is a blend, and the proportion of the various grades used is a trade secret. Furthermore the method of buying by bakers, and the degree of foresight used are very important factors in regard to the price of flour paid by them.

Analysis of Bread Prices

In order to compare the price of bread in Toronto with that in other Canadian and United States cities, a tabulation has been made of the prices paid for loaves of 24 ounces in 33 cities. There is no definite standard set in certain of the cities named, and where there is, it is not necessarily the same as that set by the Ontario government, which is the standard weight of Toronto bread. In all cases, however, the prices have been computed, taking the Ontario weight standard as a basis. The prices follow:

Canadian Cities

	cents
Winnipeg	9.6
Ottawa	10
London	11
Hamilton	11
Toronto	11
Windsor	12
Saskatoon	12
Calgary	12
Edmonton	12
Regina	12

United States Cities

	cents
Youngstown, Pa.	12.5
Detroit	13
Akron, O.	13.2
Baltimore	13.3
Washington, D. C.	13.9
Cincinnati	14
Parkersburg, W. Va.	14
Pittsburg	14
Syracuse	14
Newark, N. J.	14.4
New York City	14.4
Binghampton, N. Y.	14.4
Boston, Mass.	14.4
Providence, R. I.	14.4
Wilkesbarre, Pa.	14.5
Cleveland, O.	15
Hannibal, Mo.	15
Louisville, Ky.	15
Chicago	15
Charlestown, S. C.	16
Augusta, Ga.	16
Rochester	16.5
Williamsport, Pa.	16.9
Buffalo	18

On the basis of the investigation, the above conclusions were drawn by the Health Department:

First: The citizens of Toronto are not paying an unreasonably high price for their bread. In fact, there are only two of the thirty-three cities from which we obtained figures in which the same sized loaf of bread is being sold at a lower price than in Toronto.

Second: That there is no evidence whatever to indicate that there is anything in the nature of a combine existing between the producers and bakers.

Third: That the explanation given by one of our best known bakers, as regards the lower cost of bread in Great Britain being due to cheaper blends of flour and cheaper labor, seems reasonable.

Atlantic Sugar Had Very Excellent Year

Atlantic Sugar is said to-day to be able to show a surplus of assets over liabilities, but this changed position and the fact that the company will soon have $750,000 new cash in the treasury from the sale of 30,000 shares of common, underwritten at $25, the outlook is considered good. Profits for eleven months to Dec. 1 were in excess of $1,200,000. After deduction of bond interest, interest on deferred payments, depreciation and reserve for bad debts, the company shows net earnings for that period of $535,000. In view of the fact that the price of raw sugar is now at almost rock-bottom, and that there is hardly any possibility of further inventory losses, the management of Sugar looks toward 1926 with considerable confidence. Export sales have already been made for delivery in January and February. Sugar preferred is selling up to 83, such enhancement being taken as a reflection of approval given by the board of the refunding plan.

Dominion Canners Has Cut Capital to $50,000

Dominion Canners directors have been authorized to reduce the company's share capital from $10,000,000 to $50,000. This latter figure represents shares in the holding company still outstanding, and which for the most part are held by estates.

The reduction of the authorized capital of Dominion Canners Company eliminates confusion in the minds of the general public as to the relationship between Dominion Canners and Canadian Canners. From this time forward Dominion Canners will appear only as an unimportant subsidiary of Canadian Canners.

CHRISTIE BROWN STOCK LISTED AT N.Y.

Company Has Invaded the U.S. Market With Its Products

New York reports confirm statements made a year ago by The Financial Post that the Christie, Brown Biscuit Co. would invade the U. S. The report says that as part of an introductory program, the company has arranged for the sale of its products in that country with the F. G. Shattuck Company, operating the Schrafft stores. Should initial steps prove sufficiently successful the company plans to establish a baking plant in or near New York to take care of American demand exclusively.

This week 75,000 shares of the common stock of Christie, Brown were listed on the New York Stock Exchange. A development of this kind does not occur so often as to be passed over without comment. Indeed, the number of Canadian industrials listed on the big board in Wall Street are comparatively few. Apparently this is a condition which is in process of rectification, and the passage of years will see a wider representation of Canadian securities in that centre.

Since the reorganization of the company last spring, when American interests infused considerable capital into the organization, the company has made marked progress in a umber of directions. Especially has this been the case in the volume of business done, and the current fiscal year, which terminates with the calendar year on December 31, instead of showing a deficit, as was the case at the end of 1924, will show a substantial surplus, says Financial Service, which adds: The company is reported to have more customers than ever before in its history, and this has been secured in the face of a great reduction in overhead expenses. There has been a one-third reduction in the number of employees and this while the volume of business has been increased thirty per cent. The policy of quantity discounts to retailers has popularized the output of the company with the middlemen and this, in turn, has found its reflection in the manner in which the public have been induced to buy in the same channel. It is intimated by those in close touch with the management that the sales for December will create another high record. The plant has been operating at capacity all this month, which is said to be most unusual

Statement of Christie, Brown & Co., Ltd., for nine months ended Sept. 30, 1925, filed with New York Stock Exchange, shows net profit of $46,530.

Income account of Christie, Brown & Co., Ltd. (Dominion Charter), for nine months ended Sept. 30, 1925, follows:

Operating profit after expenses, etc., $172,625; interest, depreciation and federal taxes, $126,095; net profit, $46,530.

MUCH HIGHER PRICES TALKED FOR SMELTERS

Year Ago To-day Shares Were at 50, Which Means 133 Point Advance

A Montreal report says Smelters is being bought by people who believe that the company will be able this year to make a brilliant showing of earnings when contrasted with the previous year. The Street takes the view that even allowing for everything, it is anticipated that the showing applicable to the stock will be large, and according to the present outlook the situation is shaping for still larger earnings for 1926. The excitement in the shares is being forcibly promoted, and the market situation is one which has been created to a large extent by the general public. In influential quarters it is believed that Smelters will sell at 200.

Fifteen mines are controlled in British Columbia by the Consolidated Mining and Smelting. The chief products of those mines are lead, zinc, copper, gold and silver. The aggregate production from these mines since 1894 has reached close to one-quarter of a billion dollars.

By well informed people it is estimated that even at $200 Smelters would have an earning power of 15 per cent. Assuming that this is correct, it would appear that the company's earning power has outgrown its present capital. It is well known that the control of the company are at the present time against the splitting-up of the shares, but the Street take the view that it is just a matter of time until this is done.

TOURISTS AT CALGARY

CALGARY. — Twenty-three thousand autos visited Calgary in the summer months, June to September, inclusive. These figures include the cars of those motorists only who reported to the Calgary Auto Club.

NEW BRUNSWICK TELEPHONE STOCK

Permission has been granted by the New Brunswick Board of Public Utilities to the New Brunswick Telephone Co. to issue $160,000 of new stock. Authority was sought by the company to issue $500,000 originally.

ONTARIO LEADS IN TOURIST TRAFFIC

The Tourist Association of Ontario estimates that the revenue derived by Ontario from U. S. motor tourists will reach a total of $24,818,634 for 1925, compared to Quebec's showing of $15,183,828 and a total of $6,956,532 for British Columbia.

RETAILING IS A GREAT FACTOR IN COUNTRY'S TRADE

An Important and Little Known Feature of National Business

A great evil or inducement held out to the public has been the special advertised sales, which are known under such ridiculous names that it is almost impossible to find any other name to represent any method of sale which might be advertised. Such names are used as Gigantic Turnover Sale, Fire Sale, Inventory Sale, Bankrupt Sale, Spring Sale, Summer Sale, Autumn Sale, and almost every other kind of sale which could be conceived. In addition to these alluring sales advertisements, we hear of Birthday Sales, Annual Sales, Anniversary Sales, Managers' Sales, etc., until the public have been educated to look for a sale of some kind before they make a purchase of anything except foodstuffs, and even in the grocery trade we find not only sales advertised, but price cutting on standard and trade marked goods until the public in Canada to-day have no idea of the value of merchandise. If an article is advertised for 75c. which ordinarily retails for $1, the public do not know that the article is probably being sold for less than the cost of production and distribution, and yet they are of the opinion that if it can be sold for 75c. on one occasion, the merchant who is asking $1 for the same article is demanding an exorbitant profit, in fact, is almost a robber. Naturally, this is not a healthy relationship to have existing between the buyer and the seller.

With the opening of new country, the advance of railroads, and the demand of the public for stores to supply their needs, the retailers have kept pace with this development, until we find there are now 150,000 stores in Canada buying goods, placing them in stock, and holding them for the requirements of the prospective purchasers, thus rendering service to the communities. The values of the stocks of merchandise in these stores taken together, with the value of the property owned by the persons who find employment therein, possibly represents as much capital invested as any other class in the country. It has been estimated that the retailers of Canada last year distributed approximately $4,000,000,000 worth of merchandise, or placing the population at 8,500,000, it would mean a per capita distribution of $476 for every man, woman and child. On the merchandise which these merchants have in stock they have paid to our Dominion government millions of dollars in sales tax, which can only be recovered by them when they have not only sold their goods to the consumer, but have collected the money thereon, if the goods have been sold o.. credit.

In order that we might begin to realize the importance of retail distribution, it might be advisable to compare the business done by this class of person with some of the other classes. It has been truly said that agriculture is one of the greatest industries of our country, and yet we find that the total value of the agricultural products in Canada this year is estimated to be $1,110,000,000 or a little over the value of the foodstuffs distributed by retailers, which amounts to the large sum of $900,000,000. In the year 1924, the manufacturers of Canada produced approximately $2,500,000,000 worth of merchandise, which is a little over half the value of the goods distributed by the retailers. These figures indicate something of the importance of retail distribution, and of the service which the retailer renders to his community.

Importance of Domestic Trade

For many years past, our governments have been considering the importance of export and import trade, which has so greatly developed that our exports for the twelve months, ending in September, 1925, amounted to $1,170,000,000, while our imports amounted to $853,000,000, which while representing a tremendous volume of trading, did not amount to more than one-half of the volume of the retail business of Canada.

The merchants have been trying to overcome a number of these difficulties by organizations and associations, but it has been found very difficult to protect the interests of the legitimate retailers and the community against some of the methods and schemes which have been promoted by merchants who do not regard fair competition as a necessary element of better trading conditions. Price maintenance is a plan which has been suggested to the trade as a way of overcoming price cutting. This helps to break down the prejudice between the buyer and the seller, thus reducing the number of losses and failures, and will have a tendency to create goodwill amongst the trade.

With the development of our population, an increased number of retailers will be required to take care of the increased consumptive power, and when the governments of our country have properly realized the importance of the distribution of goods within our own country, it is quite possible that model stores will be operated in the same way as experimental farms are carried on to-day, in order that firsthand information might be obtained of the problems of the retailer, and that suggestions might be made to the retailers of our country of ways and means by which retailing could be improved, and that legislation might be introduced by which unfair methods of trading could be eliminated, in order that conditions might be better for the retailer, the wholesaler, the manufacturer and for the consumer.

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A subsidiary of the Winnipeg Electric Company. With 56,000 h.p. developed capacity and 150,000 h.p. available for future development, the Company is in a position to take full advantage of the industrial growth in the City of Winnipeg—the key to Western Canada.
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Public Utility Earnings

WESTERN NATURAL GAS

October—	1925	1924	Change
Earnings	$127,443	$ 76,052	+$51,391

Monterey Railway, Light

September—	Gross	Work. Exp. incl. prov. for ren. & obsoles.	Surp.
Railway Light & P.	$216,953	$232,755	x$15,801
Water. & Sewage	64,651	39,195	25,455
Total	281,605	271,950	$9,654
Aggr. Earn. from 1st Jan. to Sep. 30	803,347	775,812	$27,535

xDeficit.

B. C. Electric Railway

October—	1924	1925	Increase
Gross Earn.	$915,328	$1,015,459	$100,131
Working Exp., Mainten., &c.	654,420	723,180	68,760
Net Income	$260,908	$292,279	$31,371
Aggr. Gross from July 1 to Oct. 31, 1925	3,592,897	3,915,191	322,294
Aggr. Net from July 1 to Oct. 31, 1925	998,700	1,120,213	122,513

Textiles

WOOLLEN TRADES SUFFERING FROM KEEN COMPETITION

Erroneous Impression Exists That Our Mills Produce Inferior Grade

C. Gordon Cockshutt, president of the Canadian Woollen and Knit Goods Manufacturers' Association, when interviewed on conditions during the past year and the outlook for the future, said:

"Summarizing shortly conditions in the woollen and knitting industry in Canada during the past twelve months it may be said that so far as the woollen and worsted cloth mills are concerned, they have never faced more difficult times in any year in their history, while in the knitting section of the trade producing staples, in contrast to fashion and novelty lines, the mills have not found business in the past twelve months more satisfactory than in the preceding year.

"There are a large number of cloth mills closed down or working on part time. Those which are working are not obtaining a new dollar for cloth which costs them a dollar to make. This means that the majority of operating mills are faced with the choice of either incurring heavy losses which are inevitable to closing down, together with the loss and dispersion of their trained staffs, or of continuing to operate at a loss in the hope that conditions will shortly be better.

"So far as the knitting mills are concerned the raw materials used by these mills are wool, cotton, silk and rayon or artificial silk. From an examination of the raw materials used by this section of the industry it will be seen that there is a great contraction in the amount of wool manufacturing in the past year, in contrast even to the previous year.

Use of Woollens Not Declining

"It has been put forward that this unsatisfactory state of affairs in the wool using industries is due to the fact that owing to changes in women's fashions less wool is being worn. But the total consumption of woollen goods in Canada is represented by the sum of imported woollen goods and those produced by Canadian mills, and since the imports into Canada of manufactures of wool are sufficient, in addition to those produced by Canadian mills, to keep every mill in Canada working overtime and putting in new machinery, provided the orders were placed in Canada instead of abroad, it will immediately be seen that the depression is not caused by women wearing more scanty costumes. The same considerations also explode the suggestion that the depression in the industry in Canada is caused by world-wide depression in the industry.

"If the import figures are examined it will be seen that of the imports of manufactures of wool 82 per cent. come from Great Britain, six per cent. from the United States, and 12 per cent. from other countries. In other words, 94 per cent. of the imports which are flooding the country and putting the Canadian mills out of business are coming from countries where the wages are from one-quarter to one-half those paid in Canada.

"Canadian duties were lowered on woollen goods from Great Britain in 1923 and again in 1924. Canadian duties were lowered on goods from France in September, 1923, and subsequently Italy, Switzerland and Belgium were given the same advantages as France.

"Everybody in Canada would sooner buy goods, which have to be bought from other countries, from Great Britain in preference to buying them in any other country, but when the advantages granted to Great Britain by the specially low duties is driving Canadians out of Canada to seek work under an alien flag and is wrecking industry in our country, surely it is time to make an adjustment in the British preference so far as woollen goods are concerned. Australia, which is building up her wool using industries, has more than double the rates of duties on goods from Great Britain as Canada.

"The situation in the wool manufacturing industry can be illustrated by a few simple figures, comparing 1923-1924 with 1924-1925.

"Raw materials available for further manufacture in Canada in lbs.:
(To the nearest thousand 000 omitted)

	1923-24	1924-25	Decrease
Raw wool ...	27,906	23,030	14%
Wool tops ...	7,753	5,164	33%
Noils	853	658	23%
Waste	117	244	..
Yarns	3,283	2,879	12%

"In other words, there was a serious contraction of the raw materials used by the industry in Canada, over the previous year, which was unsatisfactory.

"But there was no decline in the imports of woollen manufactures from abroad, instead there was an increase.

"There is a regrettable misapprehension in the minds of the Canadian public as to the quality of woollen goods produced in Canada as compared to goods produced abroad. There are no physical, technical or climatic reasons why woollen goods should not be produced in Canada equal in quality to goods produced abroad, and in fact they are, and in some cases better."

Brazilian's 1925 Net Higher Than Year Ago

Brazilian's November earnings were $1,554,038, an advance over a year ago but lower than October. November gross totalled $2,911,695, against $2,346,029 in November, 1924, an increase of $565,666. Operating expenses also were materially higher, being $1,357,637, against $930,000.

Gross earnings from operation from Jan. 1 to the end of November were higher than for the corresponding period of last year by $3,639,057, while net earnings for the period show an increase of $535,046.

Figures by months follow:

1925	Gross	Net	Net Inc.
January ..	$2,494,194	$1,498,493	$148,423
February ..	2,207,350	1,284,342	x40,130
March ...	2,244,123	1,345,927	x60,800
April ...	2,194,295	1,247,878	x158,868
May ...	2,282,198	1,322,214	x153,826
June ...	2,386,113	1,350,445	x144,818
July ...	2,250,132	1,390,790	385,550
Aug. ...	2,805,346	1,585,830	234,081
Sept. ...	2,846,091	1,514,288	69,554
Oct. ...	3,100,963	1,568,072	117,671
Nov. ...	2,911,695	1,554,088	128,209
Total ..	$28,132,509	$15,774,988	$535,046

xDecrease.

Stock Market Record

WEEK ENDING DECEMBER 28

	Div. Rate	Yield Dec. 28	High for wk.	Low for wk.	Close Dec. 28	Close Dec. 22	Sales for wk.	Range High	1925 Low
Banks—									
Commerce	12+1	5.77	226	226	225	225	82	229½	194½
Dominion	12+1	6.04	215	214½	215	214	16	218½	189
Can. Nationale	10	6.41	156	156	156	156	2	156	148
Imperial	12+1	6.18	212	211½	212	211	109	212	184
Montreal	12+2	5.36	261½	260½	261	261	118	271	240
Nova Scotia	16	5.68	281	280	281	281	99	285	262
Royal	12+2	5.62	249	248	249	248	41	255½	227½
Standard	12	6.06	199	196	198	199½	68	200	170
Toronto	12	5.66	212½	212	212	213	30	217½	192½
Paper—									
Abitibi, com.	4	5.26	76	71½	76	72½	4617	76	62
Do. pref.	7	6.36	110	110	110	110	25	110	101
Belgo-Can., com.	6	6.08	..	..	..	..	..	100	80
Do. pref.	7	7.25	96½	96	96½	96½	225	99½	95
Brompton Pulp	..	....	28½	26½	28½	26	2152	33½	19½
Laurentide	6	6.78	89½	88½	88½	89½	2469	91	78
Price Bros., com.	2	3.44	58	57½	58	58	618	59	35½
Do. pref.	6½	6.80	95½	95	95½	95	115	96½	95
Prov. Paper, com.	6	6.03	..	..	..	..	..	111½	92½
Do. pref.	7	6.89	..	..	..	..	..	103½	95
Smith, Howard, com.	..	....	..	..	..	..	..	47	21½
Do. pref.	8	8.33	96	95½	95½	95½	15	106	69½
Span. River, com.	7	6.48	108	103½	108	105	2900	111½	92½
Do. pref.	7	5.88	119	115	119	117	75	127	110½
St. Maurice Paper	6	5.88	102	102	102	102½	165	104½	80
Wayagamack	..	....	75	72	74	72	625	75	34½
Steel and Allied Industries—									
B.E. Steel, com.	..	....	2½	2½	2½	2½	575	4½	1½
Do. 1st pref.	..	....	30	27	30	27	520	36	22
Do. 2nd pref.	..	....	9½	8½	9½	9¼	1911	14½	6½
Can Car & Found., com	..	....	35	30	35	31	36	57½	30
Do									
Do. pref.	7	9.52	75	73½	73½	75½	41	90½	73½
Can. Fairbanks, pref.	..	....	..	..	..	..	..	46	46
Can. Foundries, com.	..	....	..	..	..	..	..	35	15
Do. pref.	..	....	..	..	..	..	..	50	40
Can. Gen. Elec., com.	..	....	..	..	..	..	..	35	15
Do. pref.	7	....	57	56	57	56½	115	60	50
Canada Iron, com.	..	....	..	..	..	..	..	8	8
Do. pref.	4	....	..	..	..	..	..	40	32
Can. Locomotive, com.	..	....	..	..	..	..	..	72	35
Do. pref.	7	9.33	..	..	..	..	..	90	73½
Dodge Bros., com.	..	....	..	..	..	..	..	46½	22
Do. pref.	7	....	..	..	..	..	..	89½	80½
Dominion Coal	..	....	..	..	..	..	..	50	39½
Dominion Iron, pref.	..	....	22	20	20	24	225	30	20
Dominion Bridge	4	4.27	94	93	93	94½	85	104	77
Dom. Radiator, pref.	7	6.89	..	..	..	..	..	102½	98½
Dom. Steel Corp., pref.	..	....	28	25	25	32	110	38	20½
Ford Motor	10	....	..	..	..	..	..	512	488
Gould Mfg., com.	6	....	..	..	..	..	..	100	90
N.S. Steel, com.	..	....	..	..	..	..	..	13	8½
Do. pref.	..	....	..	..	..	..	..	32	21
Ontario Steel, com.	4+1	6.94	..	..	..	..	..	75½	41
Do. pref.	7	6.86	..	..	..	..	..	102	91½
Russell Motor, com.	..	....	..	..	..	..	..	44½	24
Do. pref.	7	8.28	84	84	84	84½	50	88	74½
Sawyer-Massey, com.	..	....	..	..	..	..	..	1	1
Do. pref.	..	....	..	..	..	..	..	20½	5
Steel of Canada, com.	7	7.14	98	97	98	97	493	99½	80
Do. pref.	7	6.14	115	114	114	114½	3	115½	105
Milling and Foodstuffs—									
Atlantic Sugar, com.	..	....	38	30½	32	30½	1895	37½	13
Do. pref.	..	....	81½	80	81½	80	150	88½	40
B.C. Fishing	..	....	59½	59	59½	59½	340	64½	19
Canada Bread, com.	..	....	61½	60	61½	60	80	65	39½
Do. pref. (A)	7	6.63	105½	105½	105½	105	50	108	100
Do. pref. (B)	7	7.29	96	96	96	96	40	97	85½
Can. Canners, com.	..	....	13½	13½	13½	13½	39	15	11½
Do. pref.	2½	....	67	65½	67	66½	892	69½	53½
Canadian Salt	8	5.71	..	..	..	..	..	154½	112
Christie Biscuits, com.	..	....	65	65	65	62½	50	64½	31½
Do. pref.	7	....	..	..	..	..	..	118	109½
Can. Bakeries, com.	..	....	35	34	34	35	67	40	31
Do. pref.	7	7.36	95½	95	95	95½	58	96	93
City Dairy, com.	12	8.84	78	78	78	78	25	90½	65
Do. pref.	7	6.48	..	..	..	..	..	110	104½
Cuban Can. Sugar, com.	..	....	..	..	..	..	..	10	3½
Do. pref.	..	....	23	22	23	25	130	44½	22
Dominion Stores, com.	1.00	....	65	65	65	60½	2	72½	28½
Do. pref.	8	7.76	103	103	103	107	16	109	97½
Do. Rights	..	....	..	..	..	..	..	12½	4
Wm. Davies (A)	..	....	36½	35½	36½	35½	341	36½	24
Inter. Milling, pref.	7	6.82	102½	102½	102½	102¼	1	103	96½
Lake of Woods, com.	12	6.97	172	172	172	173	70	193	169
Do. pref.	7	6.03	116	115½	116	116	15	125½	115
Maple Leaf Mill., com.	..	....	..	..	..	..	..	100	80
Do. pref.	7	6.69	105	104	104	105	73	105	96
Ogilvie Flour, com.	5+3	4.76	168	167½	168	165	40	180½	135
Do. pref.	7	5.73	..	..	..	..	..	127	120
Pure Gold Mfg.	50c	....	23½	21½	23	21	200	27	21
Shredded Wheat	10	5.91	..	..	..	..	..	171½	148
St. Law. Flour, com.	..	....	39½	39½	39½	39	75	65	27
Do. pref.	7	8.33	..	..	..	..	..	84	78½
West. Can. Flour	8	6.89	116	115	115	120	25	120	104½
Western Grocers, com.	..	....	10	9	10	10	60	14½	4½
Do. pref.	..	....	53	50	53	50½	395	54	38
Utilities—									
Bell Telephone	8	5.77	141	138	138½	140½	234	142	132½
Consumers Gas	10	5.74	174	173	173½	174	25	177	164
Inter. Utilities (A)	..	....	..	..	..	..	..	40½	35½
Jamaica Pub. Ser., pref.	7	7.17	97½	97½	97½	96½	50	98½	96½
Kaministiquia	8	5.71	..	..	..	..	..	140½	100
Laurentide Power	5	4.34	..	..	..	..	..	115	93½
Mackay, com.	7	5.18	135½	133½	135	134	152	142	114½
Do. pref.	4	5.55	72¼	72	72	72½	17	77½	67
Mexican Light, com.	..	....	..	..	..	..	..	34	22
Do. pref.	..	....	..	..	..	..	..	64	57
Mont. L. H. & Pr. Cons.	8	3.64	219½	212½	217½	212½	10719	220	152
Montreal Telegraph	8	6.29	51½	51½	51½	51	5	55	45
Ottawa L. H. & Pr., com.	6	6.13	98	97½	97½	98	120	103½	95
Do. pref.	6½	6.43	101	101	101	100	32	109	100
Quebec Power, com.	5	4.42	113½	112½	113	113	136	119	85
Do. pref.	7	6.20	112½	112½	112½	114	10	115	103½
Shawinigan	8	4.73	172	168½	169	172	1093	175	130½
South. Can. Power, com.	1.00	....	80½	80	80½	80	192	84	67
Transportation—									
Can. Pacific Rly.	10	6.73	148½	146	148½	147	91	152½	137
Can. Steamships, com.	..	....	11	11	11	11	140	13½	10
Do. pref.	..	....	56	54½	55	55½	1107	64½	42
Tractions—									
Barcelona	..	....	30	29½	30	29	10	30	18½
Brazilian, com.	4	4.78	84	79½	83½	80½	35393	84	49½
Do. pref.	6	6.20	96½	96½	96½	97	100	99	95
Detroit Un. Rly.	..	....	..	..	..	..	..	29	¼
Duluth-Superior	..	....	31½	31½	31½	30	30	42	28½
Illinois Traction, pref.	6	6.25	..	..	..	..	..	96	92
Montreal Trans.	10	5.60	..	..	..	..	..	187	160
Ottawa Traction	4+1	7.81	..	..	..	..	..	66½	61
Porto Rico Rlys., com.	..	....	41	41	41	41	70	46½	35½
Do. pref.	7	7.77	..	..	..	..	..	91½	84
Quebec Rly.	..	....	..	..	..	..	..	24½	20
Twin City, com.	4	5.06	79	72½	78½	73½	6526	79	58
Do. pref.	7	....	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	47½	47	47	47½	771	53½	36½
Do. pref.	7	7.36	95	95	95	95	20	99½	87
Textiles									
Can. Conn. Cotton, pref.	1	....	48	47½	47½	48½	110	51½	39
Can. Converters	7	7.44	95	94	94	95	109	95	80
Can. Cottons, com.	8	6.72	..	..	..	..	..	124½	106
Do. pref.	6	6.31	96	95	95	95½	6	96½	90
Can. Woollens, com.	..	....	..	..	..	..	..	15	5½
Do. pref.	..	....	50	50	50	55	35	61	40
Dom. Textile, com.	5	5.49	91	89½	91	90	1127	95½	66
Do. pref.	7	5.98	118	118	118	119	3	119	111
Monarch Knitting, com.	..	....	..	..	..	..	..	45	30
Do. pref.	..	....	..	..	..	..	..	80	45
Montreal Cottons, com.	6	5.79	..	..	..	..	..	105	95
Do. pref.	7	6.08	115	115	115	115	5	117½	109
Penmans, com.	8	4.39	182	182	182	183	55	185	144
Do. pref.	6	5.68	105½	103	105½	105	20	105½	99
Wabasso Cotton	4	6.25	64	64	64	66	10	66½	55½
General Industrials—									
Amer. Salesbook, com.	4.00	6.55	61	61	61	63	25	61	38
Do. pref.	7	7.44	..	..	..	..	..	94	88
Asbestos Corp., com.	6	6.38	94	93½	94	96	140	98	85
Do. pref.	6	5.21	115½	115	115	116	25	117	73½
Bird & Son, pref.	7	8.40	..	..	..	..	..	83½	80
Brantford Cordage, pref.	2	....	26½	26½	26½	26½	185	28	25
Burt, F. N., com.	12	4.68	64	62	63	62	455	67	44
Do. pref.	7	2.76	..	..	..	..	..	253	142½
Canada Cement, com.	6	5.72	104½	103½	104½	103½	500	114	90½
Do. pref.	7	6.03	116	115	116	116	56	117½	107
Cons. Rubber, pref.	.07	7.95	..	..	..	..	..	90	85
Can. Indust. Alcohol	1.28	....	16½	16½	16½	16½	1400	20½	14
Carr. Factories, com.	..	....	..	..	..	..	..	2½	1
Crows Nest Coal	6	....	49	49	49	49½	5	55½	35
Dom. Glass, com.	7	8.04	87	86	87	85½	260	116½	83
Do. pref.	7	6.25	..	..	..	..	..	115	110½
Eastern Theatres, com.	..	....	..	..	..	..	..	19½	14
Do. pref.	7	8.23	..	..	..	..	..	88	70
Gilman, com.	6	5.71	105	105	105	105	20	108½	80
Do. pref.	7	6.19	114	113	113	114	95	116	100
Goodyear Tire, pref.	7	7.40	95	93½	94½	94½	185	100½	9
Holt Renfrew, pref.	7	8.33	..	..	..	..	..	84	65
King Ed. Hotel	..	....	34	32	34	30	37	34	20
Lyall Construction	..	....	..	..	..	..	..	29	11
National Brew., com.	4	7.01	57½	56	56½	56½	6084	68	42
Do. pref.	7	6.45	108½	108	108½	108	28	110	98
National Brick, com.	..	....	..	..	..	..	..	18	15
Do. pref.	7	9.79	71½	71½	71½	72	88	79½	70
Pacific Burt, com.	6	6.74	..	..	..	..	..	96	87
Do. pref.	7	6.88	101½	101½	101½	102½	80	107	100½
Port Hope Sanitary, com.	..	....	78	78	78	78½	10	85	53
Do. pref.	7	7.07	..	..	..	..	..	100	88
Rogers, Wm., com.	..	....	..	..	..	..	..	65	48
Do. pref.	7	7.77	88	88	88	90	40	95	88
Sherwin-Williams, com.	6	4.47	135	121½	133½	121½	1595	185	115
Do. pref.	7	6.25	112½	112	112	113½	12	114	104½
Sterling Coal	4	....	38½	38½	38½	39	20	53	38½
Tooke Bros., com.	..	....	..	..	..	..	..	8	8
Do. pref.	..	....	61½	61	61½	62	118	62½	37
Tuckett Tobacco, com.	4	5.99	..	..	..	..	..	70	59
Do. pref.	7	....	102½	102½	102½	103	100	103	96½
Woods Mfg., com.	..	....	41	40½	40½	40	50	49	20
Do. pref.	7	8.75	..	..	..	..	..	80	64½
Trust and Loan—									
Canada Landed	10+1	5.91	93	93	93	94½	10	97	80
Can. Permanent	12	5.97	202	201	201	201	18	208	190
Colonial Invest.	6	....	7½	7½	7½	6½	50	7½	4
Hamilton Prov.	10	6.41	..	..	..	..	..	156	154
Huron & Erie	7	5.51	..	..	..	..	..	180	125
Landed Banking	9	6.16	..	..	..	..	..	146	142

	Div. Rate	Yield Dec. 28	High for wk.	Low for wk.	Close Dec. 22	Close Dec. 28	Sales for wk.	Range High	1925 Low
Montreal Loan	12+1	6.50	..	..	..	..	..	50	48
National Trust	12	5.26	..	..	..	..	..	228	210
Ontario Loan	11	5.33	..	..	..	..	..	105	99
Real Estate Loan	7	8.23	..	..	..	..	..	88½	85
Toronto Gen. Trusts	12	5.42	..	..	..	..	..	221	208
Toronto Mortgage	10+1	5.97	..	..	..	..	..	92	87½
Union Trust	7	7.77	..	..	..	..	..	90	85½
THE CURB MARKET									
Brit. Amer. Oil	8+2	5.10	49	48	49	48½	535	49½	36½
Can. Oil, com.	..	....	60	60	60	59	185	60	38
Do. pref.	8	....	..	..	..	..	..	100	97
Continental Oil	25c	1.02	25½	24½	24½	24½	151	29	22½
Imperial Oil	1.00	2.70	38½	36½	37½	37½	3463	38½	27½
Inter. Petroleum	75c	2.22	34½	32	34½	33	1780	35½	22½
Dryden Power	..	....	8½	8	8	8½	999	8½	8
East. Engineering	..	....	2	1½	1½	1½	85	2	1½
Good. & Worts	1½	3.10	193½	193	193	192	120	200	120
North Star Oil, com.	..	....	.75	.75	.75	.95	2	1.60	.75
Do. pref.	7	....	..	..	..	..	..	4.50	3.90
Simpsons, pref.	6	6.00	..	..	..	..	..	100	99½
St. Maur. Power	..	....	77½	77½	77½	77	38	77½	75
Volcanic Oil	62c	2.21	28	28	28	28½	20	31	24

UNLISTED SECURITIES
Industrials, Utilities, etc.—

	Bid	Asked
Brooks Steamer (1 pref, 2 com.)	4	6
Can. Machinery, com.	4	7
Can. Machinery, pref.	13	17
Can. Westinghouse, com.	152	155
Cockshutt Plow, pref.	52	55
Cosgrave Brewery	4	4½
Dom. Combing (1 pref, 2 com)	25	35
Dom. Power, pref.	93	95
English Electric, com.	14	16
English Electric, pref.	56	59
Famous Players, com.	11	12½
Gunns, Ltd., pref.	35	40
Gotfredson Truck, com.	24½	26
Imperial Tobacco	6	7
King Edward Hotel, Deb. A	74	78
King Edward Hotel, Deb. B	53	58
K. & S. Tire, pref.	8	11
Loew's Toronto, com.	31	34
Loew's London, com.	2½	3
Loew's Ottawa, pref.	11	15
Massey-Harris	64	66
Mount Royal Hotel, com.	6	7
Mount Royal Hotel, pref.	43½	44½
North Mexico Power, com.	48	50
R. Simpson, pref.	99½	..
Willard's, pref.	72	76
Loblaw Groceterias, com.	56	59
Capital Life 25% Paid	22½	25
Continental Life 20% Paid	33	..
Crown Life	120	..
Empire Life	22	26
Excelsior Life 26% Paid	40	..
Great West Life	350	..
Imperial Life	170	..
Monarch Life 10% Paid	16	17½
Manufacturers Life 20% Paid	75	..
Montreal Life 20% Paid	27	..
National Life 25% Paid	47	..
Re-insurance	11	14½
Security Life 40% Paid	32	35
Sovereign Life 25% Paid	21	24
Sun Life 50% Paid	230	..
Comm. Finance, pref.	60	63
Comm. Finance, com.	11	13
Manfrs. Finance 50% com.	7	8½
Mortgage Dis., pref.	7	7½
Toronto Finance, pref.	7.15	7½

St. Maurice to Market Port Alfred's Production

MONTREAL.—In view of Sir Herbert Holt's close association with both the Port Alfred Pulp and Paper Corporation and the St. Maurice Valley Corporation, it is anticipated that the latter organization will act as the sales agent for Port Alfred output of newsprint which should come on the market well within the next five months.

The sales of the St. Maurice Valley Corporation are conducted through a subsidiary organization known as the St. Maurice Sales Company. This company handles the output of the Beaver Wood Fibre, St. Maurice Paper, Belgo, and by the middle of next year will in all probability be handling the Port Alfred output.

Deer Park Manor Limited

7% First Mortgage Sinking Fund Bonds

We have purchased and now offer for sale the unsold portion of these 15-year coupon bonds.

Deer Park Manor is a high-class Apartment House, now being erected at the north-west corner of Deer Park Crescent and St. Clair Avenue West, Toronto, by Deer Park Manor, Limited.

The bonds are secured by a First Mortgage on the property, and a floating charge on all the assets and undertaking of the Company.

The conservative character of the issue is emphasized by the fact that the First Mortgage is only 58½% of the independent, expert valuation.

We offer these bonds in denominations of $1,000, $500, $100, if, as, and when issued and received by us, and subject to approval of counsel of all proceedings at

100 and Accrued Interest to Yield 7%

STEWART, SCULLY
COMPANY, LIMITED

Telephone Elgin 4878. McKinnon Bldg., Toronto 2

THE CANADIAN BANK OF COMMERCE

HEAD OFFICE - TORONTO

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING 30th NOVEMBER, 1925

Balance at credit of Profit and Loss Account, brought forward from last year	$ 1,218,080 42
Net profits for the year ending 30th November, after providing for all bad and doubtful debts	3,487,213 30
	$ 4,705,293 72

This has been appropriated as follows:	
Dividends	$ 2,400,000 00
Bonus	200,000 00
Dominion and Provincial Government taxes	500,000 00
Donations and Subscriptions	30,000 00
Transferred to Pension Fund	190,719 49
Written off Bank Premises	150,000 00
Balance carried forward	1,234,574 23
	$ 4,705,293 72

GENERAL STATEMENT
30th November, 1925

LIABILITIES

TO THE PUBLIC		
Notes of the Bank in circulation		$ 29,495,211 37
Deposits not bearing interest	$ 121,526,485 82	
Deposits bearing interest, including interest accrued to date	298,330,941 73	419,857,427 55
Advances under the Finance Act		None
Balances due to other Banks in Canada		672,915 68
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries		18,986,162 64
Bills Payable		1,987,408 50
Letters of Credit outstanding		12,274,350 07
		$483,273,475 81
TO THE SHAREHOLDERS		
Dividends Unpaid		4,395 12
Dividend No. 155 and bonus, payable 1st December		800,000 00
Capital Paid Up	$ 20,000,000 00	
Rest Account	20,000,000 00	
Balance of Profits as per Profit and Loss Account	1,234,574 23	41,234,574 23
		$ 525,312,445 16

ASSETS

Gold and Silver Coin Current on hand	$ 14,868,827 74		
Gold deposited in Central Gold Reserves	7,000,000 00	$ 21,868,827 74	
Dominion Notes on hand	$ 22,929,641 75		
Dominion Notes deposited in Central Gold Reserves	2,500,000 00	25,429,641 75	$ 47,298,469 49
Notes of other Banks		$ 2,286,155 00	
United States and other Foreign Currencies		1,999,637 54	
Cheques on other Banks		31,908,441 31	
Balances due by other Banks in Canada		44 80	
Balances due by Banks and Banking Correspondents elsewhere than in Canada		16,233,518 03	52,427,796 68
Dominion and Provincial Government Securities, not exceeding market value			58,500,743 29
Canadian Municipal Securities and British, Foreign and Colonial Public Securities, not exceeding market value			28,121,416 06
Railway and other Bonds, Debentures and Stocks, not exceeding market value			10,643,902 65
Call and Short Loans (not exceeding 30 days) in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover			22,972,158 81
Call and Short Loans (not exceeding 30 days) elsewhere than in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover			41,339,276 44
Deposit with the Minister of Finance for the purposes of the Circulation Fund			1,000,000 00
			$ 262,303,763 42
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts			206,851,128 08
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts			25,306,151 75
Liabilities of Customers under Letters of Credit, as per contra			12,274,350 07
Non-current Loans (estimated loss provided for)			1,794,316 76
Real Estate other than Bank Premises			2,215,411 11
Mortgages on Real Estate sold by the Bank			716,098 96
Bank Premises at not more than cost, less amounts written off			11,907,297 64
Shares of and loans to controlled companies			1,565,443 16
Other Assets not included in the foregoing			378,484 21
			$ 525,312,445 16

W. T. WHITE
VICE-PRESIDENT

JOHN AIRD
GENERAL MANAGER

Report of the Auditors to the Shareholders of The Canadian Bank of Commerce

We have carried out an audit of the books of The Canadian Bank of Commerce at the Head Office for the twelve months ended the 30th November, 1925, and have compared the above Balance Sheet with the entries therein and with the certified returns from the branches. We have obtained all the information and explanations that we have required and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We checked the cash and verified the securities representing the investments of the Bank at its chief office and principal branches at the end of the Bank's financial year, and found that they were in agreement with the entries in the books of the Bank.

In our opinion the above Balance Sheet discloses the true condition of the Bank, and is in accordance with the books of the Bank.

T. HARRY WEBB, C.A. of George A. Touche & Co.
C. S. SCOTT, F.C.A. of C. S. Scott & Co.
AUDITORS

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE -:- QUEBEC

The Wabasso Cotton Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton, also Spinner's Fine Counts of Yarns

Woods Manufacturing Company, Limited

Jute and Cotton Bags
Hessians, Buckrams
Paddings and Twine
Tents
Flags
Tarpaulins
Clothing and Cotton Fabrics

FACTORIES AT
MONTREAL, TORONTO, OTTAWA
WINNIPEG, WELLAND

HEAD OFFICE:
MONTREAL

DOMINION BRIDGE CO.
LIMITED
MONTREAL, P.Q.

ENGINEERS, MANUFACTURERS *and* ERECTORS *of* STEEL STRUCTURES

HEAD OFFICE AND WORKS:
Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.

BRANCH OFFICE AND WORKS:
Toronto, Ottawa and Winnipeg.

Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Atlantic Sugar Refineries
LIMITED

Lantic Sugar

General Offices:
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.

MAPLE LEAF Anti-Freeze

The sale of "Maple Leaf Anti-Freeze" is more than all other brands combined.

Don't say "Anti-Freeze," say "MAPLE LEAF ANTI-FREEZE"

TRADE MARK

Sold in all first-class Garages, Service and Filling Stations.

CANADIAN INDUSTRIAL ALCOHOL COMPANY LIMITED
Distributing Warehouses:
MONTREAL — CORBYVILLE — TORONTO — WINNIPEG — VANCOUVER

Oil Companies

NEW INVESTMENT TRUST FORMED BY IMPERIAL OIL CO.

Employees Having Held Their Shares, Arrangement is Resumed

When the first Co-operative Investment Trust of Imperial Oil, Limited, was closed in April last the directors announced that, without having had an opportunity to learn how employees were going to re-act to the new experience of being possessors of valuable stock, they were nevertheless convinced that the participation scheme had been a successful experiment in human nature and they promised, tentatively, that another plan would be submitted in the near future. What the directors wanted to know before going ahead with any new trust arrangement was whether or not employees appreciated their shares sufficiently to hold onto them or would they proceed to part with them, possibly for some unessential or for a luxury which they had been able theretofore to get along without.

The test of time is showing the answer to be that employees are holding their stock. Some few have let go; but the percentage is small—so small as to be the exception rather than the rule.

A second Co-operative Trust starts on January 1st, 1926, to run for three years. As before, the Trust will be conducted and the funds invested under a board of five trustees selected by the directors of Imperial Oil, Limited, who will act throughout the term. They will open up a Trust Account in the Royal Bank at Sarnia, and the new trust will thereby open for business.

The general purposes of the Co-operative Investment Trust are the creation within the organization of a body of shareholders embracing all of those who contribute in any degree to the conduct and operation of the business; the encouragement of thrift; and the extension of the actual condition of partnership within the industry which it has always been the endeavor of the directors to promote.

Conditions of the Trust

An employee of the company or its subsidiaries whose continuous service exceeds one year, and who may be regarded as a permanent employee, may participate in the trust by regularly depositing therein during any period of twelve (12) consecutive months during the said period of three years, an amount not to exceed ten per cent. of his annual compensation from the company.

If an employee who was a participant in the First Co-operative Investment Trust (effective March 31, 1920), parts with the ownership of more than one-third (1/3) of all stock he received subsequent to March 31st, 1925, through participation in the first trust, or fails to produce during the term of this trust the certificates of at least two-thirds (2/3) of such stock or other evidence of continued ownership thereof satisfactory to the trustees, when required to do so by them, he shall be ineligible to participate in the second trust for one year following such disqualifying act, or in case of such disqualifying act, having been committed prior to the commencement of the trust, for one year from the commencement of the trust.

The company will deposit or cause to be deposited concurrently to the credit of such employee a sum equal to fifty (50) per centum of the employee's deposits.

It is the intent to invest the proceeds of these joint deposits in the stock of the company. All dividends upon stock so purchased shall be a portion of the trust and invested in like manner. All monies accruing from the withdrawal of depositors shall enure to the benefit of the remaining employee-depositors in the trust on December 31st, 1928, or on prior discontinuance under the provisions hereof, and shall then be credited proportionately to their respective accounts.

Failure to Make Deposits

Failure of an employee to make deposits when due may, at the option of the trustees, work a forfeiture of any right to the stock, but the employee shall receive in cash, if the trustees shall decide to terminate the employee's participation in the trust, the amount the employee has actually paid in with interest thereon at the rate of six per centum (6%), compounded annually.

The prices at which the stock is from time to time sold by the company to the trustees for the purposes of said trust will be fixed by the directors on or before January 1st of each year at not less than the book value of such stock on the preceding 30th day of June, and shall govern all transactions during the twelve months beginning on that date.

An employee who is a depositor at the expiry of the said term of three years, or prior discontinuance by the board, shall be entitled to then withdraw from the trust the full amount of stock which has been purchased and placed to his credit, and should there be any uninvested balance in his account, it will be paid in cash.

An employee who leaves the service of the company or its subsidiaries for any cause, except as provided, shall cease to be a depositor, and in full satisfaction of his account immediately withdraw from the trust the total amount of his deposits in cash, together with interest at six (6) per cent. per annum compounded annually.

An employee who remains in the service of the company or its said subsidiaries may, if he so elect, withdraw from the trust under the conditions set forth, but he will not be eligible to again participate for a period of one year.

Higher Dividend Discussed for British-American Oil

The British American Oil Co., whose stock has recently been strong and active on the Canadian and New York stock markets, does not issue an annual report, but in quarters close to the company, it is stated that they are in an exceptionally strong position. At the last gathering, S. R. Parsons, the president, indicated that the company was without bonded or bank obligations, and that this situation has prevailed for several years.

Dividends have been paid continuously since 1909 and are at the rate of 8 per cent. per annum, payable quarterly on the first of January, April, July and October. There has also been paid in the years 1922, 1923 and 1924 a bonus of 2 per cent., making a total distribution in those years of 10 per cent. But the dividend declared payable on Jan. 1, 1926, is at the rate of $1 per share for the quarter. The directors have not yet said whether this payment may be considered permanent. If it should happen that the stock were to be recognized as on a 16 per cent. basis it could be considered as cheap around existing levels.

Pulp and Paper

NIPIGON MILL PLANNING FOR ENLARGEMENTS

After Promised Timber Limits Signed for, Will Arrange for Extensions

FORT WILLIAM.—A paper mill with a capacity of 200 tons a day, together with all the necessary complements and extensions which go to make up a large modern plant, ground wood mills and sulphite mills will be the development at the plant of the Nipigon Corporation, Nipigon, just as soon as the promised timber limits are signed for and contracted for.

The mill, situated a mile or so west of the town of Nipigon, was built in 1921, construction commenced in May of that year, and operation was started about December of the same year, the plant being controlled by the Nipigon Pulp and Fiber Co.

It went into liquidation and was sold in September, 1923, to the Nipigon Corporation, and re-commenced operations in December, 1923, having operated ever since, after the plant had been thoroughly overhauled.

The plant consists of a mechanical groundwood pulp mill, with a capacity of 50 tons a day, and the wood supply is obtained from sub-contractors and settlers.

The expenditure at this mill, when the final enlargements are arranged for, will run up into the millions of dollars. The boon such an industry has been and is to the town of Nipigon and district is very great, and its great value, much enhanced after enlargement, cannot be estimated.

Pulp and Paper Exports Continue to Increase

MONTREAL.—Canadian exports of pulp and paper for the month of November were slightly higher than those of the preceding month, but considerably above those of the corresponding month of last year. According to figures furnished by the Dominion Bureau of Statistics, the exports were valued at $13,967,287, being an increase of $23,524 over the preceding month and of $2,201,856 over November, 1924. There has been a continued increase in the monthly totals since last July, and the November exports were the second highest for any month this year, having been exceeded only in March.

Exports of paper alone fell off as compared with October, but pulp figures more than made up the difference. Newsprint alone amounted to 122,485 tons, valued at $8,678,472 as compared with 124,528 tons, valued at $8,773,538 in October, 1925, and 96,981 tons valued at $7,114,018 in November, 1924. Unbleached sulphite and sulphate pulp contributed to the higher total of pulp exported, as compared with October, bleached sulphite being practically unchanged, and mechanical pulp showing a decline of $144,493.

Chicoutimi and Saguenay Bond Interest Being Paid

MONTREAL.—Final documents have been signed in connection with the Quebec Pulp and Paper Co., thereby consummating the deal which brought about the reorganization of the Saguenay Pulp and Power Co. and the Chicoutimi Pulp Co.

Cheques are now going forward to holders of Chicoutimi six per cent. bonds and Saguenay 6½ per cent. bonds covering interest for six months from July 1, 1925.

Another Industry Using Canadian Pulpwood

Over 30,000,000 more pounds of Rayon will be produced in 1925 than a year ago, according to the Brookmire Economic Service, which estimates production this year at 185,000,000 pounds.

The tremendous growth of this industry is shown by the Brookmire analysis of production for the past 15 years. Production in 1910 was considerably under 20,000,000 pounds. Since then, regardless of general business conditions, more Rayon has been produced every year than in the previous one, and the United States has become an increasingly important factor both in production and in consumption.

In 1910 the United States produced no Rayon and in 1925 our estimated production is set at 52,000,000 pounds or 10 per cent. above the total world production in 1920.

This rapid expansion in the last dozen years has been accompanied by only occasional price changes, which are now only about 11 per cent. above pre-war level. This favorable situation has been possible because of a steadily increasing demand and through the careful control of distribution by the producers.

BELGO-CANADIAN MAKES RECORD

MONTREAL.—Advice has just been received that Belgo Canadian Paper Co. at Shawinigan Falls made a new high record, total production for one day being 424.25 tons, as compared with rated capacity of 390 tons. The high production is attributed to efficiency of the newsprint machines, principally in the Nos. 5 and 6 machines, which were installed about two years ago.

PORT ALFRED PULP & PAPER CORPORATION

HEAD OFFICE:
INSURANCE EXCHANGE BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

STANDARDS *of* QUALITY
KRYPTON PARCHMENT
ROYAL RECORD
BELL-FAST BOND
TRIBUNE BOND
GENOA BOND
PROGRESS BOND
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These Papers Are Watermarked
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INVENTIONS PATENTED
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Blank form "Record of Invention," and full information free on request.
W. IRWIN HASKETT, 18 Elgin St., Ottawa, Canada

CANADA PERMANENT 70 YEARS 1855—1925
Established 1855

ACCUMULATIVE BONDS
The interest on amounts invested in these Bonds is COMPOUNDED half-yearly. As compared with interest at the same rate paid half-yearly, and probably spent as received, this compounding of interest means a considerably greater return to the investor. The Bonds are issued as required in sums of $100.00 and upwards. Interest commences the date the money is received. $390.60 invested in these Bonds to-day will amount to $500.00 at the end of five years.
Any further information desired will be cheerfully furnished on request.

CANADA PERMANENT MORTGAGE
CORPORATION
14-18 TORONTO STREET - TORONTO, 2
Assets exceed $47,000,000.00

P. Lyall & Sons Construction Company, Limited
Toronto - Montreal - Ottawa

DOMINION TEXTILE CO., LIMITED

PRUE

MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG

LAKE OF THE WOODS MILLING COMPANY CANADA

LAKE OF THE WOODS MILLING CO. LTD.
Makers of FIVE ROSES FLOUR
Mills at Montreal, Brantford, Keewatin, Portage la Prairie, Medicine Hat
CAPACITY, 20,000 BARRELS DAILY
President and Managing Director: FRANK S. MEIGHEN, C.M.G.
Vice-President & Gen'l. Manager: WM. W. HUTCHISON.
Directors:
W. R ALLAN, R. M. BALLANTYNE, TANCREDE BIENVENU, HON. SIR LOMER GOUIN, K.C.M.G., GEO. V. HASTINGS, WALTER MOLSON, R. W. REFORD, ABNER KINGMAN, J. K. L. ROSS, N. J. BREEN.
Secretary, M. H. HUTCHISON; Treasurer, T. F. McNALLY; Asst. Treasurer, A. C. McMILLAN.

Iron and Steel

COAL COMMISSION EASED SITUATION WITH N. S. MINERS

Wolvin Makes Report and Explains Coverdale Report to Besco Shareholders

From Our Own Correspondent.

MONTREAL.—One result of the Royal Commission's inquiry into the Nova Scotia coal situation appears to be a wider appreciation of the difficulties with which the British Empire Steel Corporation has had to contend. In the past there have been many vague rumors about the corporation, which gained a wide circulation. The commission has been successful in clearing up some of these misunderstandings, and, in addition, some of the leaders of U. M. W., through a wider knowledge of the situation, have become more tolerant in their attitude.

Provided the miners continue with the same executives in the future as at present, this better understanding should result in more harmony between the corporation and its workers. One of the difficulties of the whole situation has been that the coal miners in Nova Scotia are very clannish and will stick together through thick and thin; and, consequently, even should their leaders make mistakes, the miners will back them up. Now, however, the leaders have been placed in a position to observe the handicaps under which the corporation has labored, and will, therefore, appreciate better the position in which Besco finds itself.

What the Leaders Have Seen

Some of the men's leaders have visited many of the scenes of Besco's labors, have correlated the corporation's activities with its financial structure and have learnt that the higher the wages which Besco pays for mining its coal, the less coal it will sell; a necessary consequence of which is a further restriction of the amount of work available for the Nova Scotian miners. Or, in other words, the price of coal depends on the United States operators, and if the Nova Scotia miners make it possible for the corporation to undersell or compete on favorable terms with the rest of the world, the more coal Besco will sell and more work and more pay will result for the men employed at the mines.

One instance of the ignorance which persists in connection with the British Empire Steel Corporation was the remark of a Maritime newspaper man to The Financial Post. He mentioned the dividends which the Corporation has paid on watered stock and was much surprised to learn—and evidently did not believe—that the British Empire Steel Corporation had never paid any dividends on any stock whatever with the exception of its first preference shares, which were merely exchanged for preferred shares in the constituent companies. If there be water in these shares, it was put in long before the British Empire Steel Corporation made its appearance.

Last week the Besco held its annual meeting, and the remarks of Roy M. Wolvin, the president, are of interest. They follow, in part:

"Prices quoted in Canada during 1924 on steel products from European countries where the wages are paid in depreciated currency had a serious effect upon your corporation's earnings. While the amount of imports in tonnage is not very great, it forced the sale of the Canadian made articles at cost or less than cost in order to give employment at steel plants and keep the working organizations together. Railroad buying was in small volume due to the low earnings of the railways and these reduced purchases materially affected the results of the operations of your company.

"During the year 1924 your properties were maintained in their usual good condition and I would like to say that at the present time the coal properties of this corporation are in better condition than at any previous time in their history. I believe that the production since the resumption of coal mining August last quite clearly shows the condition of the properties and the improvement in our working organizations.

The Wage Scale

"Unfortunately the United Mine Workers of America forced the companies to pay wages during the year 1924 which were about seven per cent. higher than those in effect during the previous year. It may be interesting to know that the cost of living in our coal mining districts at the present time is practically the same as the cost of living in those districts in the year 1917, but that the rates of wages in effect to-day in these districts are 42 per cent. higher than the rate of wages in these same mines in the year 1917. There was no labor trouble in any of the corporation's other operations and the Employees' Representation Plan that has been developed in the various steel plants has established very satisfactory relations between the management and the employees.

"Since the end of the year under review at this meeting, the government of Canada has increased the customs duty on bituminous slack coal imported into Canada and the duty on such coal imported from the United States to-day is 50 cents per ton. This will carry some benefit to the industry and is appreciated. Unfortunately, the government at the same time made a reduction in the customs duty on round coal from 53 cents per net ton to 50 cents per net ton, which to some extent offsets the benefit to be received through the increase of the duty on slack coal.

"Immediate legislation should impose a proper duty on foreign produced anthracite screenings when used for steam purposes.

The Coverdale Report

"You may have seen in the press a report that the firm of Coverdale & Colpitts is making an investigation of your corporation's affairs and I wish you to know their investigation will include a thorough study of the affairs of all the constituent companies and their relations one to the other, and that their report is intended for the guidance of your directors.

"The results of the operations of the corporation from January 1st, 1925, until the resumption of coal mining in August have, of course, resulted in a serious loss. Since the resumption of mining, however, the properties of the Dominion Coal Company and Nova Scotia Steel & Coal Company in Cape Breton have been working to practically maximum capacity and the coal properties in Pictou and Cumberland counties are now working to full capacity in supplying the winter demand on the mainland of Nova Scotia."

BESCO FEELS BENEFIT OF BETTER BUSINESS

Expanding Operations Are Reported in Steel Industry and in the Coal Fields

From Our Own Correspondent.

SYDNEY.—Early expansion of operations at Sydney steel plant and an expenditure of a million dollars in the adjacent coal fields are expected to add materially to the prosperity experienced by Cape Breton communities during the last four months and are taken as an indication that Besco anticipates steady improvement in the coal and steel trade for some time to come.

No official statement has yet been issued, but news has leaked out here that another battery of coke ovens is to be put in operation soon and th will very likely necessitate the blowing in of an additional blast furnace. At the present time 2,700 men are steadily employed at the steel mills and the pay-roll fluctuates at times to as high as 3,490 men. With increased operations the proportion of full time employees will steadily rise.

The million dollar expenditure in the coal fields is for the electrification of No. 2 mine at New Aberdeen, the largest coal pit in Canada and one of the deepest in the world. A new bankhead will also be built there, and the mine methods and equipment brought up to date on the same principles that have proved such a success at the new No. 1B, at O'Neil's Point, a few miles distant. These measures are expected to increase the outputs and lower the cost per ton of coal from No. 2, which is famous as the biggest producer of the Dominion Coal Company.

The reasons for these activities are better demand for steel and steel products: increased coal sales as a result of the prolonged hard coal strike and other causes; and last but not least, growing popularity of Besco coke for domestic and manufacturing purposes.

These better conditions are not expected to be temporary; on the contrary it is stated semi-officially that Besco expects 1926 to be a banner year for production and sale of coal and coke.

STEEL INDUSTRY IS EXPECTING CAR ORDER

President of National Car Corporation Discusses the Outlook for Coming Year

In the steel industry in the United States expectations for continued volume of business in 1926 are largely based upon prospects for equipment orders from the railroads which are now enjoying improved conditions with heavy car loadings at more satisfactory rates. In Canada the equipment companies are also looking for business from this source. This anticipation would seem to be justified in view of the wearing out of rolling stock and the fact that orders in recent years have been below normal. Discussing this situation Robert J. Magor, president of the National Steel Car Corporation, says:

"Assuming that the depreciation of rolling stock is more or less the same in Canada as in the United States, this country should be purchasing at the rate of about ten thousand cars per year. Exactly the same type of equipment is used and under more or less generally the same conditions. But, for argument's sake, even allowing a fifty per cent. margin in this respect, you then arrive at a figure of five thousand cars per year. The records show that no cars were bought during the last twelve months for freight carrying purposes in Canada. In fact, in the last several years, the average is very much under this five thousand figure.

"So that quite obviously, the equipment business is suffering to such an extent that, as above stated, continuation of this condition for another three or four years will mean that it would cease to exist altogether. As it, in conjunction with its allied interests, are potentially the largest employers of labor, it is quite obvious that if the industry is allowed to die the unemployment situation in this country will become more and more accentuated, and hand in hand with this condition will be the increased migration of Canadians to other countries, particularly the United States.

"To prove the above statements, all that it is necessary for one to do is to review the financial statements that have been issued in the last few months by the important equipment corporations in this country."

New Business Coming for Canadian Locomotive

Good news for the shareholders of the Canadian Locomotive Co. is contained in the announcement that the tender for the new tank equipment for the Chute a Caron Development of the Aluminum Co. of America at Chute a Caron, Que., amounting to over a quarter of a million dollars, has been awarded to the Kingston organization. Coming on top of the assurance that it will not be long till the Canadian National Railways will be in the market for new engines, of which the Canadian Locomotive is bound to receive a share, this definite word of the aluminum company order is most welcome.

In discussing this matter with the press, William Harty, jr., president of the Canadian Locomotive Co., confirmed the report from Montreal and stated that orders for material were being closed. Between 110 and 125 men would be required for the work, he said, which would be under way about Jan. 15.

Public Utilities

TO REORGANIZE THE FINANCES OF CANADIAN POWER

New Bonds and Stock to be Offered to Bondholders

MONTREAL.—It is anticipated that the reorganization of Canadian Light, Heat & Power Company, one of the old Tram Power group taken over by United Securities, Ltd., will soon be effected. Bondholders of the $6,500,000, par value bonds, will probably be offered 60 per cent. of their holdings in new 5 per cent. bonds and the other 40 per cent. in new common stock. Should this arrangement go through the old company would be wiped out entirely. Some months ago a protective committee was formed to safeguard the interests of the holders of these first mortgage bonds. This action was taken following the issuance of a letter on July 15, by the directors.

A report issued by the directors to the bondholders in July stated that while the plant was originally established to produce 20,000 h.p., under present conditions it could not live up to this performance. It was pointed out that substantial sums of money must be expended in order to place the property in even reasonably good condition. For some years the company has failed to earn its bond interest and maintain sinking fund requirements, nor have adequate provisions for depreciation been made.

The Canadian Light, Heat & Power Co., had its capital stock issue greatly reduced at the time it passed under control of United Securities, as one step in the general direction of cleaning up the interlocking and interwoven companies left by the Robert interests when the Shawinigan and the Montreal Light, Heat & Power Consolidated combined. At that time, in May, it was understood that the interests now in control did not intend to continue paying unearned interest on the bonds and it was considered likely that an offer would be made to the holders for an exchange something along the lines of the proposal now laid down.

The structure of the companies controlled by the United Securities is intricate. United Securities owns all the common stock in the Quebec-New England Hydro Electric Corporation, which in turn owns almost all the stock of the Canadian Light & Power Co. There is a small block of stock in the latter company in the hands of the Montreal Tramways & Power Co. This consists of only some 400 shares. Incidentally, only 90 per cent. of the stock of the Montreal Tramways and Power is owned by United Securities also. An outline of the Canadian Light Heat and Power Co. follows:

The Canadian Light & Power Co. is a hydro-electric project, reputed to be capable of development of 75,000 horsepower. The power plant at Timothee, 28 miles from Montreal, is connected with the company's sub-station on the outskirts of Montreal by a duplicate three-wire transmission line built on steel towers on private right-of-way over 100 feet wide. Power delivery began in 1911 from the new hydro-electric plant of the company. In 1913 the entire distribution system in the city of Montreal was taken over by Montreal Public Service Corporation, now called Quebec-New England Hydro-Electric.

The Canadian Light & Power may be regarded as the occasion for the formation of the Tramways and Power Co. in 1911. It wanted to supply its power to the Tramways Co., and in order to bring this about, the Tram-Power Co. was organized in 1911 as a holding company controlling both Canadian Light and Montreal Tramways. Later, the holding company acquired other companies, and after a stormy career in the past two years, was subsequently itself acquired by United Securities Limited, by means of exchange of its shares for those of United Securities, the latter being controlled by Montreal Power Consolidated and Shawinigan Power.

B.C. Electric Rendering Service on Low Rates

LONDON.—Continued progress in every direction in connection with the British Columbia Electric Railway was reported at the annual meeting of the company, held here yesterday. There was an increase of 1,500,000 passengers on the railway during the past year. The capital account expenditure was $4,500,000. The wage bill was $4,000,000.

"It has been repeatedly laid down," declared the chairman, R. M. Horne-Payne, "that any public utility company is entitled to rates that will enable the payment of eight per cent. on its entire capital, but, taking the whole capital employed in our enterprise, the return earned is only between five and six per cent."

BRAZILIAN MAKES FURTHER ADVANCES

Stock is Now Selling at High Mark for Recent Years—The Dividend Prospects

Accompanying the advance of Brazilian Traction to new high levels for recent years have been reports in line with the prediction of The Financial Post, made some weeks ago, of an increase in the dividend rate early in the New Year. Definite anticipation of something better than the present distribution of 4 per cent. would seem to be indicated by the evidences of accumulation by strong interests at the present levels. London is taking more interest in the stock than for some time and this is taken to indicate a satisfactory outlook from the standpoint of exchange. Then the company is now better equipped to meet any increased demand for power which may develop.

Brazilian is now well equipped in the matter of plant and power resources and reserves to meet any emergency that may arise, and furthermore, will be in a position shortly to take care of any increased power requirements of the territory served that can be now anticipated for the next 25 years.

However, while the company's earnings reports continue to show improvement officials of the company suggest that at present levels the stock is discounting a future in which there are elements of uncertainty.

Shareholder Cannot Ask For Liquidation

MONTREAL.—A shareholder is not a creditor of the company in which he holds shares, in the sense that he has a right under the Bankruptcy Act to ask for its liquidation, according to a judgment handed down by Mr. Justice Panneton in the Superior Court.

The point arose in the case of the Fan Flame Spark Plug Co. of Canada, against which J. Adrien Morin, a shareholder, presented a petition asking for a winding-up order. The court held that Morin was not entitled to present the petition, which was dismissed, with costs.

Mr. Justice Panneton pointed out that, even under the Winding-up Act of 1906, a shareholder was allowed to ask for the liquidation of the company in which he was interested only under certain conditions, nor did this right exist under the present Bankruptcy Act, as the petitioner, a shareholder, was not recognized as an ordinary creditor.

Much Better Outlook for Western Grocers

MONTREAL.—The buying power of the West has been notably restored during the last six months and few companies stand to benefit in such a material way as Western Grocers. It is reported that the company has been able to reduce its bank loan by a substantial amount, and that it is expected when the directors meet early in the new year they will give the dividend question on the preferred stock consideration.

According to a Winnipeg report Western Grocers had a turnover of over $20,000,000 up to the end of November, and in well informed quarters it is stated that the company will earn its preferred dividends this year. For the first ten months of the year net earnings it is said amounted to over $140,000 and as November and December are generally two of the best months in the year, it can be taken for granted that the full seven per cent. dividend will be shown as earned when the financial statement for 1925 makes its appearance in March next.

Bulk of Lloyd Harris' Estate is in Stocks

Lloyd Harris, Brantford, left an estate of $517,449, of which $377,556 was in stocks. Main holdings were 6,305 shares of Massey-Harris of a par value of $630,600 and an estimated market value of $252,240; 1,131 shares of Russell Motor Car Co., with a par value of $90,000 and market value of $18,000; 275 shares of Dominion Power & Transmission, with a par value of $27,500 and market value of $24,750. There is also an item of 12,070 shares of Harris Oil Corporation, Ltd., Toronto, with a par value of $1,207,000 and marked in the inventory "No present value." There are numerous smaller holdings in other companies and corporations.

The Royal Bank of Canada

GENERAL STATEMENT

30th NOVEMBER, 1925

LIABILITIES

Capital Stock Paid up		$ 24,400,000.00
Reserve Fund	$ 24,400,000.00	
Balance of Profits carried forward	1,249,435.32	
	25,649,435.32	
Dividends Unclaimed	12,405.59	
Dividend No. 153 (at 12% per annum), payable 1st December, 1925	732,000.00	
Bonus of 2%, payable 1st December, 1925	488,000.00	
		26,881,840.91
		$51,281,840.91
Deposits not bearing interest	$198,297,398.90	
Deposits bearing interest, including interest accrued to date of Statement	443,380,136.65	
Total Deposits	641,677,535.55	
Notes of the Bank in circulation	41,496,573.74	
Balances due to other Banks in Canada	1,673,149.41	
Balances due to Banks and Banking Correspondents elsewhere than in Canada	14,461,948.86	
Bills Payable	7,827,741.29	
		707,136,948.85
Letters of Credit Outstanding		30,059,988.67
		$788,478,778.43

ASSETS

Gold and Subsidiary Coin on hand	$ 21,897,150.77		
Gold deposited in Central Gold Reserves	9,400,000.00		
		$ 31,297,150.77	
Dominion Notes on hand	42,567,682.75		
Dominion Notes deposited in Central Gold Reserves	10,600,000.00		
		53,167,682.75	
United States and other Foreign Currencies		29,931,586.05	
		$114,396,419.57	
Notes of other Canadian Banks		4,265,518.48	
Cheques on other Banks		51,730,422.17	
Balances due by other Banks in Canada		315.81	
Balances due by Banks and Banking Correspondents elsewhere than in Canada		27,921,971.00	
Dominion and Provincial Government Securities, (not exceeding market value)		82,245,403.26	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, (not exceeding market value)		28,407,242.28	
Railway and other Bonds, Debentures and Stocks (not exceeding market value)		16,630,772.26	
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover		33,814,538.47	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover		38,691,331.97	
			$398,103,935.27
Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		$190,854,642.71	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		143,397,982.28	
Non-Current Loans, estimated loss provided for		2,527,576.72	
			336,780,201.71
Bank Premises at not more than cost, less amounts written off			15,618,072.99
Real Estate other than Bank Premises			2,558,945.44
Mortgages on Real Estate sold by the Bank			955,176.89
Liabilities of Customers under Letters of Credit as per contra			30,059,988.67
Shares of and Loans to Controlled Companies			2,048,901.00
Deposit with the Minister for the purposes of the Circulation Fund			1,440,000.00
Other Assets not included in the foregoing			913,556.46
			$788,478,778.43

NOTE.—The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris. As the entire capital stock of The Royal Bank of Canada (France) is owned by The Royal Bank of Canada, the assets and liabilities of the former are included in the above General Statement.

H. S. HOLT, President

C. E. NEILL, General Manager

AUDITORS' CERTIFICATE

To the Shareholders, The Royal Bank of Canada:

We have examined the above statement of Liabilities and Assets at 30th November, 1925, with the books and accounts of The Royal Bank of Canada at Head Office and with the certified returns from the branches. We have verified the cash and securities at Head Office at the close of the Bank's fiscal year, and during the year we counted the cash and examined the securities of several of the important branches.

We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank. The above statement is in our opinion properly drawn up so as to disclose the true condition of the Bank as at 30th November, 1925, and it is as shown by the books of the Bank.

W. GARTH THOMSON, C.A., of Peat, Marwick, Mitchell & Co.
A. B. BRODIE, C.A., of Price, Waterhouse & Co. } Auditors.

Montreal, Canada, 26th December, 1925.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 29th November, 1924	$1,143,806.90	
Profits for the year, after deducting charges of management, accrued interest on deposits, full provision for all bad and doubtful debts and rebate of interest on unmatured bills	4,081,628.42	
		$5,225,435.32
APPROPRIATED AS FOLLOWS:		
Dividends Nos. 150, 151, 152 and 153 at 12% per annum	2,568,000.00	
Bonus of 2% to Shareholders	488,000.00	
Transferred to Officers' Pension Fund	100,000.00	
Appropriation for Bank Premises	400,000.00	
Reserve for Dominion Government Taxes, including War Tax on Bank Note Circulation	420,000.00	
Balance of Profit and Loss carried forward	1,249,435.32	
		$5,225,435.32

RESERVE FUND

Balance at credit 29th November, 1924	$20,400,000.00	
Premium on new Capital Stock issued to Union Bank of Canada Shareholders	4,000,000.00	
Balance at credit 30th November, 1925		$24,400,000.00

H. S. HOLT, President

C. E. NEILL, General Manager

Montreal, 26th December, 1925.

News of the Mines: A Department for Executives and Investors

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

Year 1925 Saw Dominion Wide Expansion in Mining

More Mines and Prospects Being Operated To-day Than Ever Before—Quebec Expansion Stands Out—Old Camps and Properties Come Back With Rush.

Dominion-wide expansion marked the mining industry in 1925. From coast to coast new progress has been recorded. There are perhaps more mines operating in the Dominion to-day than ever before. This includes a large number of new ones and many old properties that have been idle for a number of years.

The outstanding development has been in the proving up of the gold-copper deposits in North-western Quebec. But equally as important to the Dominion have been the tremendous strides made in gold mining in Northern Ontario and the material increase in the base metal production of British Columbia. Other important events have been the gold mining developments in Central Manitoba and the efforts put forth to revive gold mining in Nova Scotia.

Another notable feature, though most people do not associate it with mining, has been the progress in the hunt for oil in Alberta.

Coal mining has not made the progress that it should have made. This has been mainly due to continued labor difficulties and the invasion of the Canadian markets of the east by cheap Virginia coal and the cutting in of fuel oil on the West coast.

Nova Scotia

There are bright prospects that out of the present coal inquiry will come industrial peace and the coal industry of the province will assume the important position in Canada's progress that has long been denied it. A chaotic condition has existed for years. Everyone has suffered. The hope is that the commission, now studying conditions, may bring about a change that will allow for the complete development of the coal mines.

Years ago a great deal of effort was put into the gold mining in the province, but it was suddenly dropped, much the same as a hot potato. Now there are signs of its revival. Gold production last year was but $21,000 in a province that is considered to have great possibilities, especially with modern methods and selective mining. There are a few small operations going on now. Gypsum mining is coming along well and promises to grow steadily in importance and the same with arsenic production.

New Brunswick

Non-metallics are the principal minerals of the province, coal leading, with gypsum and natural gas following. Increased attention is being given to the gypsum deposits of the province and an increase in the production of this mineral is expected. Production of limestone which fell off in 1924 was better in 1925.

Manitoba

The developments at Bull Dog Lake and Long Lake during the year have attracted a great deal of attention to gold mining possibilities of that section of the province. Very important, possessing as it does possibilities for tremendous expansion, was the sale of the Flin Flon mine north of The Pas to Whitney Interests, New York. It is believed that this will awaken a keener interest in the province's northern mineral belt which stretches west from the Herb Lake area at mileage 82 on the Hudson Bay Railway to the Saskatchewan boundary. Some may question, and rightly so. the placing of Flin Flon in Manitoba, as the boundary line of the two provinces cuts through the middle of the Flin Flon property while on both sides of it are claims of promise.

Central Manitoba Mining Co. has been the chief operator in the Central Manitoba section. It was controlled by Winnipeg and Boston interests and after considerable exploratory effort, Arthur D. Miles, head of Anglo Canadian Explorers, a subsidiary of John Taylor & Sons, of London, took up the property. The result is that a deal was consummated involving payment of a large purchase price for a material interest in the group. The proposition sizes up as an ideal mining prospect inasmuch as the operators are gambling on depth only, the ore body as opened on surface showing, length, width and commercial values. Good progress has been made in development and many others have been attracted to the section and a great deal of staking done.

Saskatchewan

This province has no metallic production though the developments in the Flin Flon area indicate that this defect may soon be remedied. Lignite coal is the leading non-metallic, running around $800,000 yearly. Sodium sulphate from the Alkali Lakes and the output of clays from the large clay deposits in the southern part of the province, are the other leading products.

Alberta

It has just been announced that the Western Canada Coal Operators' Association, a 20-year old organization, has been disbanded. The significant feature of this is that the breaking up of the operators' organization was the result of action on the part of the operators in breaking away from the association; negotiating individual wage agreements with their own men; breaking the last strike and incidentally, but most important of all, breaking up the local of District 18 of the United Mine and Smelter Workers union. The International Union is now out of the coal fields of Alberta; the mines are working full blast; the operators are getting back their markets and the general outlook is for one of prosperity. Petroleum will figure strongly in Alberta's non-metallic output this year because of the developments in Turney Valley field and at Wainwright.

British Columbia

The development of known but neglected mineral deposits is carrying British Columbia to the front in mineral production. The past year has been marked by the entry of a number of large companies into the province. They have given a great deal of attention to the examination and investigation of known properties with the result that a number of important deals have been reported from various parts. The last available figures show that in 1924 the province had 85 shipping mines, but of the total output, 90 per cent. came from six large low-grade propositions. J. D. Galloway, provincial mineralogist, takes this as a hopeful sign as there are many prospects with fairly large tonnages of low grade ore now idle. Portland Canal area is developing rapidly. New operations are being started continuously and excellent progress is being made in the development of prospects. Premier, the leader of all, has just enlarged its mill and power plant.

In the base metal sections of the province, the year was marked by opening of a number of small operations. This section is better adapted to poor man mining than any other part of the Dominion. There are many such in the section being handled by a few men.

Ontario

The comeback of Goudreau and Gowganda; the development of the Delora section of Porcupine; the large expansion of Kirkland Mines and new developments in South Lorrain, have made the year a notable one for Ontario. For a time there were indications that North-west Ontario, the old area that was active in the pre-Klondyke days, would stage a brisk comeback, but activity at the close of the year was not as great as in the earlier part. However, there are promising operations going on that are bound to focus attention on the section. Goudreau has come to the front suddenly again. The success being achieved on the Goudreau Gold has attracted a number of the large operators who are now in the field.

Gowganda, due to the Castle and Tonopah successes, seems to be in the midst of a boom which promises to make this camp a large silver producer. There have been several well-balanced operations launched in the camp during the year following closely on the success of the Tonopah Co. on the Walsh and Morrison groups.

Matachewan has again disappointed. Porcupine Goldfields is out of the camp, for a time at least, and there is no other operation of importance going on there.

Three New Mills

While McIntyre and Hollinger have continued their large expansion program and Vipond has achieved new exploratory successes, the progress in opening up Coniaurum and the developments in the Delora Tp. section have been notable. Three companies, Ankerite, Paymaster and March Gold are now constructing mills which they expect to have in operation early in 1926.

Coniaurum in the development of its large group to the east of McIntyre and Hollinger, has met with good results in a crosscut some 2,700 ft. in length. Cons. West Dome has had more market than mining success, but has carried on a steady program and paid its way by a small margin. Dome has not made any outstanding progress.

Kirkland Lake

Enlargement of operations at Wright-Hargreaves, Lake Shore, and Teck-Hughes have been of importance to Kirkland Lake, but these were in a measure overshadowed by the developments on Kirkland Lake Gold on the west end of the camp and on Tough-Oakes Burnside on the east end of the camp. In addition there has been an expansion to the east into Lebel Tp., which seems to hold much for the future.

The eastern section of Kirkland, the Larder Lake part, has been somewhat of a disappointment, Argonaut, Crown Reserve or Associated Goldfields have not made the progress that was expected at the first of the year. There are some small operations, notably Walsh Katrine, Northland, Gold Hill at Boston Creek, and the opening of the Labine property at Sesekinika by Bennett Co., that have attracted a share of interest.

Cobalt has followed the even tenor of its way, keeping production up in a remarkable manner with the occasional new operation on an old property springing up to help out.

South Lorrain

In South Lorrain, interest has been focussed on a new section due to the success of Canadian Lorrain and the entry of Nipissing into this section in an aggressive way. The year has been kind to Mining Corporation as it has achieved notable success in the development of its large holdings. Keeley has been carrying on an enlarged and encouraging exploration and development.

The nickel-copper mines have a vastly different aspect to-day than they had at the first of the year. They are now to be regarded very much like an industrial proposition. Production is on a pre-war basis and promises to increase steadily.

Quebec

Most notable has been the discovery of new copper-gold deposits in North-western Quebec. To-day the known copper-gold ore zone extends through a number of townships, being much in the shape of a horseshoe. The most outstanding to-day are three in number, Noranda, Waite-Montgomery and Amulet. These are the only ones that have been explored to any degree. New finds in other townships, however, are such as to promise big things.

In the meantime, the opening up of gold deposits in other sections of the area has brought results that, to say the least, are encouraging, and which will doubtless result in a great activity in the future.

All in all the year has been one of distinct encouragement. It has witnessed the material widening of the known mineral areas of the Dominion and also brought back many abandoned sections, notably in Ontario and British Columbia.

PREMIER GOLD

The annual statement of Premier Gold Mines, Portland Canal, B.C., will soon be forthcoming and it is expected to show the company in a strong financial position notwithstanding the expenditure for improvement of plant.

Mineral Output of 1925 Near the Record Total of Year 1920

Metallic Totals Are Generally Higher While Decrease is Traceable to Coal Producers—Year Was Much Ahead of 1924.

Canada's 1925 mineral production will rank as the second best in the country's history. The Financial Post estimate is $222,555,000, not including the Yukon, which compares with $227,859,000 in 1920, the record year.

Coal, while being the biggest individual item, has in the past been the most uncertain, due to labor difficulties, but examination of figures given below will show that there has been a tremendous increase in metallic minerals, with Ontario and British Columbia providing the bulk of the increase. It may be that the coal production estimate may throw out the 1925 estimate, as it is difficult at this time to guage the effect of the anthracite strike in the U. S. on the output of the various provinces. However, earlier in the year production, due to labor difficulties, was slightly below that 1924 output.

The estimate by provinces with comparative figures follows:

Prov.	1920	1921	1922	1923	1924	1925
Nova Scotia	$ 34,130,017	$ 28,912,111	$ 25,923,499	$ 30,534,176	$ 24,916,000	$ 19,500,000
New Brunswick	2,419,787	1,901,505	2,263,692	2,205,846	2,099,106	2,100,000
Quebec	28,886,214	16,157,094	17,646,529	19,827,495	18,722,332	19,850,000
Ontario	81,715,808	57,356,094	66,866,029	79,916,836	85,041,268	96,000,000
Manitoba	4,223,461	1,934,117	2,256,941	1,753,908	1,569,571	1,555,000
Saskatchewan	1,837,468	1,114,220	1,255,470	1,349,620	1,052,012	1,050,000
Alberta	33,586,456	30,562,229	27,872,136	31,646,816	22,749,662	22,500,000
Yukon	1,576,726	1,754,955	1,785,573	2,641,745	1,538,649	....
Brit. Columbia	39,411,728	33,230,460	39,423,962	44,143,390	51,887,724	60,000,000
Total	$227,859,665	$171,923,342	$184,297,242	$214,019,832	$209,516,465	$222,555,000

From the above table it can be seen that the coal producing provinces have been responsible for the decrease, along with a fairly substantial drop in Quebec, mostly due to the decline in the asbestos output. On the other hand a good portion of this loss has been made up by the increase in the metallic output, especially in Ontario and British Columbia.

	1922	1923	1924	1925
British Columbia	$22,041,285	$27,224,541	$38,832,037	$49,662,000
Ontario	$37,937,252	$54,017,922	$61,980,175	$70,808,000

In Ontario the gold and nickel copper output has materially jumped, the former $5,000,000 and the latter $3,000,000. In British Columbia gold and silver production has not moved up, but base metal output has made great strides. As prices fluctuate, the increase can best be shown in an estimate of quantity. The figures for the five metals are:

	1924	1925 Est.
Gold, ozs.	245,000	220,000
Silver, ozs.	8,153,000	7,920,000
Copper, lbs.	65,400,000	66,755,000
Lead, lbs.	168,400,000	223,000,000
Zinc, lbs.	96,000,000	113,775,000

B.C. Silver Has Ore Richer Than the Premier

B. C. Silver annual meeting in Vancouver was very formal and attended only by a few shareholders, as the great part of the share capital is owned in London, England, by the Selukwa Corporation and Premier Gold Mining Co. However, report submitted by management was the most important given out at any annual meeting. The latest development of the mine has shown a high grade ore unsurpassed by even Premier and has added many millions to the value of the property. It is stated that the company is now shipping and reports from Stewart state that ore running over $300 per ton is being transported to Tidewater. This ore is from a width of over four feet. At the moment it would appear that the amalgamation with Premier so often spoken of is farther away than ever and if the Premier do make any arrangement with B. C. Silver it will have to be on a very much higher basis than was formerly possible.

Offered $500,000 For Crescent Silver Control

An offer of $500,000 for a 51 per cent. interest in Crescent Silver mine has been made by U. S. capital, according to President S. Barber. It is being considered but its acceptance is doubtful. The company is badly in need of funds to carry on operations. Mr. Barber says they could get along with very little, as a small amount of work would make available quite a tonnage of ore that could be shipped. However, the present board and shareholders have battled long to keep the enterprise going and at the same time retain control, and for this reason strong opposition has arisen to the proposal to sell control, after having gone so far.

WIGWAM WANTS FUNDS

Directors of Wigwam Mining Co., Gowganda, are making plans for a pool of shares, with a view to new financing. The plan is to drive out under Lost Lake.

James O'Neill Conroy
Barrister at Law
Solicitor and Notary Public
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News of the Mines

OUTLOOK IS 1926 WILL BE MINERAL YEAR FOR CANADA

Many New Producers in Ontario Predict Boom in Quebec—New Capital For B.C.

The new year holds tremendous possibilities for mining. This applies to all mineral producing provinces.

Gold and silver mining in Ontario should reach much higher levels than in 1925.

Hollinger should have its 8,000 ton mill going. Three new mills should get under way in the Delora section of Porcupine. Kirkland Lake Gold, a non-producer in 1925, should reopen its mill in 1926. Tough-Oakes-Burnside will at least handle a more profitable, if not a larger tonnage. Teck-Hughes is the first new dividend payer of 1926 and will undoubtly increase its output.

Increased tonnage for Castle, while Tonopah will go on a producing basis, will be the notable features of Gowganda, while Canadian Lorrain and possibly Nipissing will be added to the producers of South Lorrain.

Boom in Quebec

Quebec is ready for a great active program. There are signs that several new companies will make their appearance in that area and aggressive exploration of numerous properties will go ahead. A boom is predicted by many.

British Columbia in the last few months has recorded a number of important mining deals and the opening of numerous properties that have teen idle for years is looked for in 1926. Portland Canal area should materially increase its output. Premier's new mill will be going all year.

In addition to the Sebakwe & District mines, of London, entering that field by the purchase of control of National Silver, other British capital is taking interest. Arrangements have been made for the operation of the properties of the Vancouver Mines and Terminus companies by London capital, which means an extensive operation.

Financing of the development of Victoria Mines, Argenta and Rush-Columbia properties has been arranged in New York, so that work will proceed on a larger scale in these instances also.

Silver Crest has returns from the smelter of a trial shipment of ore. Thirty-two sacks, four from each of seven surface cuts and four from No. 1 tunnel, were sent and the return, over freight and treatment charges, was $140 per ton.

Big Missouri, close to the Silver Crest, bids fair to prove one of the richest mines in the province. Development is being carried out by the Standard Mines Company, of Tacoma.

Important Deal

An important deal was the taking of options on properties on Hudson Bay mountain, near Smithers, by B. C. Silver Corporation. The payments total $115,000, spread over several years.

Federal Mining Co. has taken over gold and silver claims, in the Lillooet district, owned by Albert Morrison and James Westfall, of Vancouver.

A Detroit syndicate is prepared to advance $300,000 for the development of the Utica mine, at Kaslo, controlled by the Canadian Mines Merger.

The base metal output of the province is expected to reach new levels.

Northern Manitoba and Saskatchewan will eagerly watch the Flin Flon operation. The writer knows of more than one additional deal that is pending on properties in that section, all of which presages a great activity.

The coal mining industry may be expected to enter a new era this year, particularly in Nova Scotia. The past year saw the Western troubles pretty well smoothed out and the mines closed the year battling, with a good degree of success, to win back their lost markets. If the Nova Scotia mines get industrial peace, grea strides forward may be expected.

Ontario Has 96 Companies Engaged in Gold Mining

Ontario has 96 companies carrying on gold mining operations, the largest of any mineral group. Seeking silver are 39; feldspar, 20; nickel, seven mines, in the hands of two operators. In all 16 different minerals are being sought in Ontario.

DORATHA MORTON

Porcupine Goldfields Development and Finance Co. recently relinquished its option on the Doratha Morton mine and the adjoining Enid and Julie groups, at Fanny Bay, B.C., and the Tonapah-Belmont Development Co. has taken them up. Clyde H. Heller, president of the company, has made an examination of the property, and P. W. Racy, one of the company's engineers, has arrived to examine and sample it.

RE-OPEN FAMOUS SILVER KING

There is prospect of the famous Silver King mine, near Nelson, B. C., being reopened. It is now controlled by the Consolidated M. & S. Co. This is one of the mines responsible for the founding of the city of Nelson in the first of the nineties.

GALENA FARM OPTIONED

Porcupine Gold Fields Development and Finance, with interests already at Kimberley, B.C., has taken a lease and bond on the famous Galena Farm property at Silverton, B.C. R. H. McLoughlin, a Californian mining engineer, is in charge.

Offer $300,000 Working Capital to Mica Mine

NELSON.—That $300,000 will be available for the working and development of the Utica Mine of Kaslo, former shipper of high grade ore, as soon as all the stockholders are in accord, is the announcement of Col. H. H. Armstead, president of the Canadian Mines Merger, which controls the Utica property. Opposition to the plan of financing proposed by Col. Armstead led him to defer action until the stockholders could become of one accord.

ALBERTA'S NEW OIL FIELD MAY COME IN BIG DURING 1926

Drilling Going on in Two Important Sections of the Province at Present

Big things are expected to transpire in Alberta oil fields during 1926. Drilling is going on in two sections, Turner Valley and Wainright. Oil is being produced in both fields, but the outlook is that more wells will reach their objective this year than have been drilled altogether heretofore.

The success of Imperial Oil's well, Royalite No. 4, has focussed attention on the Turner field. There are a number of wells being drilled there now, but the coming summer will see several more started.

In the Wainwright new companies are entering the field and plans for the drilling of two or three new wells have been recently made.

For the purpose of securing adequate publicity for Alberta oil fields and also securing accurate information respecting the various wells drilled in the province, an organization to be known as the Central and North Alberta Oil Men's Association was formed last week. Logs of all wells and definite information regarding the grade and quality of oil obtained will be sought and then this information will be broadcast in the most suitable manner.

It has long been felt that companies operating in the Alberta oil fields only gave out what information suited them and that many wells had produced oil and were being kept for future use while others were called producing wells when no proper test had been made.

It was also felt that some central organization should be held responsible for accurate statements regarding the oil areas in the province.

Active officials of the new company will likely be chosen from among the following oil men of the province: J. O. Williams, John Blue, Dr. J. A. Allan, W. R. Howson, S. H. Smith, N. C. Legge, John Kenwood, T. J. Sugars and J. Shaw.

MINING STOCK QUOTATIONS
Week Ending December 28

	High for week	Low for week	Close Dec. 28	Close Dec. 21	Sales for week
Apex	3	2⅛	3	3	4500
Amulet	1.49	1.31	1.42	1.32	169713
Argonaut	16¼	15¾	16	16	65000
Baldwin	2½	2	2¼	2⅛	21000
Barry Holl.	26	24	26	25½	14000
Beaver	54	49	53¾	50	16800
Bidgood	6½	6	6¼	6	4000
Chaput H.	7	7	7	7	2500
Can. Lorrain	73	70½	70½	73½	17100
Capitol	34	31	33½	32	55100
Castle Tre.	1.51	1.43	1.50	1.45	48750
Clifton	2¾	2½	2¾	2½	21500
Coniagas	4.50	4.00	4.50	4.40	3366
Coniar'm	3.85	3.50	3.85	3.75	821
Col. Kirkland	3⅛	3½	3½	3½	6000
Cons. Smelters	183¼	161	182	160	39017
Cons. W. Dome	21½	17½	21	17	243750
Crown Res.	20	19	19¾	18½	28500
Davidson C.	1½	1¼	1½	1¼	1100
Dome Mines	17.10	16.77	17.00	17.00	4675
Everett	7¾	7	7¾	7	9500
Goldale	36	31½	35	32	69400
Gold Reef	1⅛	1½	1¾	1¾	13000
Hollinger	17.60	17.15	17.60	17.25	3125
Hunton	7	6⅛	7	7	7500
Indian	5	5	5	5	1000
Int. Nick., com	45½	43	45¼	44	560
Keeley	1.64	1.61	1.64	1.64	12400
Keora	13¾	13	13½	13¾	18500
Kirk. Lake	85	77½	84¾	77	34950
Lakeside	3½	2¾	3	3	13500
Lake Shore	9.60	8.90	9.50	8.95	4585
La Rose	39½	38	39	40	10200
Lorrain	8	7½	8	8	10600
Lorrain T. L.	1.10	99	1.10	1.00	4350
McKinley	24½	22	24½	22½	19100
McIntyre	22.75	22.45	22.50	22.70	5975
Mining Corp.	3.22	3.16	3.22	3.24	6400
Newray	38	38	38	37	2300
Nipissing	6.40	6.10	6.25	6.24	4080
Night Hawk	9	7	9	6	1500
Noranda	14.30	12.85	14.30	13.00	26265
Pete Lake	2½	2½	2½	2½	1000
Premier Gold	2.25	2.20	2.25	2.21	7125
Preston	7½	7	7¼	7	19000
Teck Hughes	2.51	2.39	2.51	2.42	46957
Thomp. Krist	2	2	2	2	6000
Tough Oakes	52	51	51½	50	27200
Vickers	15	13	13¼	13½	14500
Vic. Silver	5	5	5	6½	500
Vipond Cons.	1.59	1.49	1.58	1.50	40117
Wettlaufer	5	4⅛	5	4¾	8600
Wright Har.	7.95	7.55	7.85	7.65	4705

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LARGE ADVANCES WERE RECORDED IN 16 MINE STOCKS

Gains for the Year Greatly Exceed the Losses—Market is Strong

The past year has witnessed some remarkable gains in the price of some of the leading mining shares. Seven stocks have made extended advances, showing an increase in the year of 2,381 points. Sixteen active stocks made gains of 2,712 points, while six active stocks lost 179. The leader in the advance was McIntyre, $5.75 per share, or 75 cents more than its par value. Lake Shore advanced $5.10 or more than five times its par, while Wright Hargreaves advanced 3¾ times its par. Dome. Hollinger and Coniagas, all $5 stocks moved up to $3.60, $2.30 and $2 respectively, while Teck Hughes, with an advance of $1.31, more than doubled its par value. There were some other good gains as well: Beaver, 28; Canadian Lorrain, 29; Castle, 79; Kirkland Gold, 48; La Rose, 31; Mining Corporation, 22; Vipond, 24.

Keeley, with a drop of 52 points was the heaviest loser. Others included, Argonaut, 22; Barry Hollinger, 20; Crown Reserve, 30; Lorrain Trout Lake, 20.

A perusal of the table following will show that many of the stocks are now selling at the high of the year. The market has been strong. There is a good demand for stocks, and the available supply at present prices is said to be limited.

The record of the active stocks for the year follows:

	Opened Year	1925 High	Low	Present
Argonaut	33	44	11	16¼
Beaver	26½	57	25	54
B. Hollinger	46	50	19	26
C. Lorrain	46	80	23	75
Capitol	36	39½	24	34
Castle	72	160	72	151
Coniagas	2.20	4.60	1.45	4.50
C. W. Dome	16½	28	10½	23
C. Reserve	50	54	15¼	20
Dome	13.50	18.00	12.90	17.10
Goldale	21	36	15	36
Hollinger	15.60	17.60	13.35	17.60
Keeley	2.17	2.32	1.45	1.65
Keora	10	19½	8½	13½
Kirk. Gold	37	92½	33	85
Lake Shore	4.50	9.95	4.80	9.60
La Rose	7½	55	7½	39
Lorrain, C.	17	21	7	8
L. T. Lake	1.31	1.31	90	1.10
McKinley	16	44	16	24½
McIntyre	17.00	22.75	16.65	22.75
Mining Corp.	3.00	3.35	2.40	3.22
Newray	24	44	17	38
Nipissing	6.50	6.50	4.60	6.35
aNoranda (old)	9.10	10.75	..	..
bNoranda New	10.00	14.35	..	14.30
Premier	2.33	2.57	2.00	2.25
T. Hughes	1.24	2.55	1.24	2.55
T. Oakes	39	61	23	52
Vipond	1.35	1.61	1.02	1.59
W. Hargreaves	4.20	7.95	4.20	7.95

aTrading since Nov. 17.
bTrading since Nov. 26.

NORANDA

Noranda shares sold up to $14.50 this week. Financing plans are being formulated. It is understood that an operating company will be organized to handle the Horne. Noranda shareholders would be given a portion of these shares.

DUPRAT MINES

Reports are in circulation to the effect that a deal for control of Duprat Mines is pending. The company owns a gold-copper property in Quebec.

CANADA GETTING BACK HER HOLD ON BACON MARKET

(Continued from page 1)

the people. When the controlled supplies were exhausted, Denmark stepped into the market with a fine product and quickly took command of the situation. It is this Danish competition with which Canada has been concerned during the past couple of years, and against which headway is now being made.

The Farmers' Problem

When the war-time demand for meat supplies subsided, Canadian farmers found themselves with large numbers of hogs unsuited for the production of the high standard of bacon which Canada marketed prior to 1914. It was necessary to bring about a revolution in hog raising to attain the desired end of restoring the Canadian bacon standard. To this end the Industrial Development Association of the Canadian Packers directed its energies. A conference was held with the government at Ottawa. Assurances were given of satisfactory prices for hogs of the better type, and on this basis the various departments of agriculture throughout Canada took up the work of educating and encouraging the farmers.

During the past few years remarkable progress has been made. To-day Canada is producing a bacon equal to the highest Danish quality; and what is more, it is now being recognized for its real worth and is commanding a price on a par with or close to that from Denmark.

The question is being seriously considered as to how Canada can best secure again that strong position she held in the British market prior to the war. Effective publicity directed to this end can undoubtedly be made to play a part, but even more important is that the volume of hogs of the highest class should be increased so that Canada will be able to meet the increased demand with products of the best quality.

FOREIGN TRADE INFORMATION

MANUFACTURERS and merchants engaged in Foreign Trade, who contemplate sending representatives to Great Britain, France, South Africa, India, Australasia, China, Japan or the West Indies, will find it to their advantage to communicate with the Foreign Department of the Bank of Montreal at the Head Office in Montreal.

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What is in the Survey

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Chapter 3—Industrial analysis. Size, position and production of every industry in Canada.
Chapter 4—Fisheries production in Canada.
Chapter 5—Forestry industries in Canada.
Chapter 6—Mining industries in Canada.
Chapter 7—Canada in international trade. Our trade with every country in detail.
Chapter 8—Commodity prices. Ten years' record of prices of all leading commodities.
Chapter 9—Banking in Canada.
Chapter 10—Public finance and taxation. Financial position of Dominion, provinces and municipalities. Income tax and succession duties, etc.
Chapter 11—Transportation. Railway costs, freight traffic, steamship routes, etc.
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TORONTO, JANUARY 1, 1926

CANADIANS FIRST

WHY is it that some Canadians are unwilling to be Canadians? There are in Canada many British-born Canadians who become more enthusiastically British when they arrive in Canada than they ever were in the Old Country, even more British than the British people themselves.

We have in Canada French-speaking Canadians who are more French than the French themselves.

There are Canadians who support with vigor and force every policy initiated by a government in Great Britain, although the British people themselves may be divided on the point. There are Canadians who stump the country, upholding the actions of whatever government may be in power in France at the moment, regardless of the divisions of opinion in France itself regarding those policies.

Let us not forget our mother countries, but let us be Canadians first.

MARKETING FOR LESS

THE next big step in business will be the reduction of distribution costs. The manufacturer who does not carefully study everything that bears upon the handling of his goods from the time they leave his factory until they reach the hands of the ultimate consumer, is going to fall behind in the race. Manufacturers who pay attention to marketing expenses, will in the next few years, reduce their distribution costs just as manufacturers who have studied production technique in the past generation have lowered the cost of turning the raw material into the finished product.

Business organizations and associations in Canada should put the question of marketing first on their agenda for study and discussion in the coming years.

In many lines savings in marketing costs will amount to more than any possible savings in production cost. Take an extreme case: to produce apples in British Columbia costs about one-fourth of the amount that the buyer pays for the product in Eastern Canada. The other 75 per cent. represents the cost of getting the apples from the grower in the Okanagan valley to the consumer in Toronto. At first glance this seems to be unsound economically. It is not so. The complex sequence of activities involved in transportation, advertising, selling, packing, financing, etc., the chain of distribution—is a much more important affair than the business of growing apples.

But the very difference in cost makes it more esesntial that the cost of marketing the apples should be studied. A saving in distribution means much more to the ultimate purchaser than a similar percentage of saving in the cost of production. B. C. apples are an extreme case, but one that illustrates the situation that is present, in some degree, in every commodity produced.

THE MAN VS. THE IDEA

HELD up for many years as an example of the success of the co-operative idea in retailing, the Guelph Co-Operative Association has finally gone down to failure like so many other experiments of its kind. It is simply another exhibit in the evidence going to prove that a most attractive and satisfying theory does not work out in actual practice.

The Guelph enterprise was organized under the direction of a very aggressive and capable manufacturer and business man, Sam Carter, and the success which for some years attended its operation was actually a tribute to the man—rather than to the plan, as so many of the co-operaters convinced themselves. Sam Carter obtained his ideas regarding co-operation in England, and for a time he was able, because of his own energy and ability, to keep the project on a sound basis and to show profits in the face of much different conditions. However, when he did not continue to give it that full attention for which he was never recompensed, the project went the way of other similar experiments in this country.

It has not been found possible in Canada to inspire that loyalty in their association which has brought a measure of success to co-operators of the Old Country. The average customer of a retail store in this country is more exacting in regard to value and service evidently than are the co-operators of Great Britain.

The success of the co-operative idea in retailing demands the loyalty of all members of the association, and this is found difficult to maintain in the face of keen competition which usually involves lower prices and better service.

CREATING MORE BUSINESS

AS A factor in educating the public to what electric power is, how the energy is developed and what the current so generated actually does in the various fields in which it is rendering service, the Shawinigan Water and Power Company is exhibiting a four reel motion picture. The film is designed not with the intention of saying how much better is Shawinigan than its competitors, but to arouse greater interest in, and demand for, electric power.

This is a commendable example of constructive work in the publicity field. The plan is to increase consumption, and the company is satisfied that, on a basis of value and service, it can secure a satisfactory share of the business created. There is no effort to in any way discredit competitors, whether they are private corporations or public ownership enterprises.

The Shawinigan company is to be congratulated on its sound publicity program, which we believe will, in the long run, win it a greater measure of public support than would efforts directed to undermine the position of competitors.

DISHONEST BANKRUPT JAILED

FOUR months in jail and a fine of $500 was meted out to a merchant in Gananoque not long ago for disposing of his property with a view to defrauding his creditors. There was also a charge against him for failing to keep proper books, but this was dismissed. The evidence in the other charge was to the effect that when proceedings in bankruptcy were started and his business assets taken over, it was found that a great quantity of his stock could not be accounted for and was eventually found in a store in Picton. The defence gave evidence that the stock had changed hands in the ordinary course of business, but the judge found him guilty and imposed the above sentence.

During the past few years much has been done along the lines of merchants keeping better track of their business. All retailers should remember that it is unlawful to conduct a business without keeping proper books, says Dry Goods Review. Dishonest bankrupts are, too, being watched more carefully in the last few years. And rightly so. They are not only a source of loss to firms selling them but to their honest competitors as well.

ANOTHER NUISANCE TAX

BROUGHT into force May 15th, Ontario's tax on soft drinks has resulted in a revenue to the government of only $84,000. Such an amount seems ridiculously small, says Canadian Grocer, when it is taken into consideration that the consumption is very large, especially during the summer months embraced in the period referred to.

Just what it cost the government to collect this amount of money has not been divulged, but it seems quite safe to list this soft drink tax with a number of other nuisance taxes imposed by the provincial and federal governments, the revenue from which is out of all proportion to the effort involved and trifling in relation to the interference with business resulting. What is more, experience has shown that the tax is difficult to enforce, and thus becomes another conscience levy which places those who pay at a distinct disadvantage in competition with those who take advantages of the available opportunities for evasion.

Business men in all branches of trade and industry recognize that taxes must be paid in order that there may be the necessary funds available for carrying on public affairs, but they suggest that the levies imposed should be equitable in their application and that it is only commonsense that they should be capable of enforcement and collection at a cost in keeping with the revenue derived—and they submit also that the interference with business involved should also be taken into consideration.

The Ontario soft drink tax on its showing, has, in the opinion of Canadian Grocer, proven a failure, and there is a great deal to support that contention.

THE REVOLUTION IN MERCHANDISING — No. 7

"What is Profit?" Answer Not Always Understood

School Arithmetics Have Misled Public and Many Merchants Have Not Understood Difference Between Mark-Up and Profit — Merchants Entitled to Fair Return

By B. T. HUSTON

RETAIL business terms such as profit, margin, mark-up, cost, stock-turn, all sound simple enough, but some of them are often misunderstood. The public school arithmetics of most of the provinces, if not all, are one of the causes of this misunderstanding. Many a man has gone into business with the idea that profit and loss, for instance, must be considered in terms of invoice cost because the arithmetic says so—and yet they base expenses and everything else on sales price.

Defining Some Terms

Before going further into the subject of margins let us set down definitions of some of the various terms retail merchants use in their business:

Cost—This is what the merchant pays for his goods laid down ready to sell. It includes transportation and drayage charges and any special allowance to cover shrinkage or depreciation.

Price or Sales Price—The money for which a merchant sells his goods—the selling value of the stock—the figure he puts on each unit or quantity he offers for sale.

Margin—Margin is the spread between cost and price. In other words it is the gross profit. It should not be called "profit" unless the word "gross" is used at the same time—if business conversation is to be exact.

Mark-up—This is a portion of cost added to get the sales price. It differs from margin in that margin is a part of the sales price, whereas mark-up is a part of cost.

Profit—Webster defines this as "the excess of value received for producing, keeping or selling over cost." This distinctly shows that "profit" must not be confused with "margin." When one is thinking of "net profit" the word "net" should always be used.

Expense—This includes all costs of operation—all indefinite charges as distinguished from charges like freight, drayage, and express which definitely belong against certain specific merchandise. It takes in rent, salaries (including the owner's) insurance, taxes, paper, other wrappings, telephone, advertising, interest both on capital and borrowed money, shrinkage on bad debts, depreciation, delivery, waggon or truck upkeep, supplies of all kinds, replacements, donations, telegraph, light, heat and power.

Stock-Turn—This is the investment of a sum of money in merchandise and getting it back plus margin thereon, ready for reinvestment in a given time.

Insufficient Margin a Weakness

Many failures in retailing can be traced back to insufficient margin. The average consumer who is only a consumer and knows nothing about business, thinks that when a merchant charges $1.20 for something that costs him $1 he is making a profit of 20 per cent. A good many merchants have the same idea, especially when they first enter the retail field. Many salesmen like to make the margin show up as much as possible, so they quote figures in terms of cost.

A merchant is quoted an article, 2 dozen to the case and costing $3.60. He is told the selling price is 18c. and that he makes 20 per cent. profit. He knows his overhead expense is around 17 per cent. so he mentally calculates a net profit of 3 per cent. As a matter of fact selling the article at 18c. shows a gross margin of only 16.6 per cent. on sales and with expenses at 17 per cent. there is a net loss of .4 per cent instead of a net profit of 3 per cent.

Profit Must Be on Sales Price

The aggressive merchants have long since learned the importance of basing the margin of profit on sales rather than cost. When the cost basis is quoted they mentally figure what they are going to make on the suggested selling price and knowing their percentage of expense and the rapidity with which the article will sell, can tell almost immediately whether the profit margin is or is not adequate.

Last June in an address at the convention of the Ontario Retail Grocers on the subject of computing margins of profit, I stated that a good many retailers were figuring incorrectly because of the teaching of the public school arithmetic. Dr. W. F. Merchant, superintendent of education for Ontario, stated in reply that his attention had never before been called to the point, that the arithmetic would be revised in 1926 and that the suggested change would be taken into consideration. The merchants of Manitoba have since taken up the matter with the Provincial Board of Education there and are asking for a revision so that the youth of the country which include the merchants of the future, may begin business life with the proper viewpoint.

Why On the Sales Price?

The following are reasons why the merchant should compute his margin on the sales price:

1. Because neither margin nor profit is made until the sale is made.
2. Because other business figures are based on their relation to sales. and all business figures should be uniformly determined.
3. Because selling expenses are always figured in relation to sales.
4. Because taxes are based on sales.
5. Because sales totals are usually available at a glance.
6. Because profit is earned to reward all your capital and not only that part invested in merchandise.
7. Because it indicates correctly the margin or profit when the selling price is stated.
8. Because allowances and discounts are always made on sales.
9. Because mark-down is always figured on selling price.
10. Because commission payments are always based on sales.
11. Because chain stores, department stores, and all successful stores everywhere figure margin on selling price.
12. Because a large part of lost profits in actual case is traced to figuring margin on cost and expenses on selling price.
13. Because it truthfully represents the per cent. you make on a sale to a customer. To base it on cost exaggerates the amount. 33 1-3 per cent. on selling price equals 50 per cent. on cost.
14. Because you can look at the cash received, and quickly figure how much belongs to you as profit.
15. Finally, because figuring margin on selling price is the simple, easy way. Selling price is always 100 per cent.

The claim is not made here that a merchant cannot be successful and compute margins on invoice cost. There are many instances to show that this can be done. But there are also a great many cases where merchants have found themselves considerably worse off at the end of the year than they had anticipated because they did not figure on this basis. By calculating margins on sales price they are playing much safer.

U.S. Chamber of Commerce Model for Canadian Body

A. O. Dawson Outlines Proposed Organization for New Canadian National Board of Trade

In connection with the organization of a Dominion Board of Trade as the result of the conference of boards of trade of all Canada at Winnipeg recently, definite plans were outlined by A. O. Dawson, a leading manufacturer of Montreal and president of the Board of Trade of that city. As outlined by Mr. Dawson, the new national body will be organized along the lines of the Chamber of Commerce of the United States. Mr. Dawson spoke as follows:

It was the view of some of the boards associated in the movement for the holding of this important gathering that if Canada is to reap any permanent benefit from our deliberations we must not merely resolute on a few pressing matters and then scatter never to see each other again, or perhaps to meet only at infrequent intervals, when perhaps the Toronto board elects another man of vision like Mr. Gundy, to whose initiative we owe this conference, but rather that out of this meeting should come a permanent organization representing the business intelligence of our Dominion, functioning continuously and giving thought to the many problems as they arise.

The idea is not new; in 1870 there was organized a Dominion board of trade, which held its first annual meeting Jan. 18, 1871, in Ottawa, in the parliament buildings, and which contributed in large measure to the adoption for Canada of the fiscal policy which has since in greater or lesser degree been the accepted policy of our country. Having succeeded in attaining perhaps the principal object to which, after full discussion, it had committed itself, although many other subjects had been dealt with, the Dominion board of trade after nine or ten meetings seems to have died a natural death in 1880 or thereabouts.

Earlier Opposition

From time to time in recent years when the proposal has been mooted, my board has opposed the organization of a Dominion board of trade on the lines of the one that functioned in the seventies and eighties. Some of the principal reasons for our attitude were that separated so widely as we are, it would be quite impossible to secure adequate representation at stated annual or other periodic meetings unless on each occasion there were questions of sufficiently vital importance to assure such representation. As these do not arise at regular intervals it was, we believed, certain that interest in regular meetings could not be maintained, and the stimulation of an artificial interest would have to be resorted to or the meetings would degenerate into small affairs, run by a small group, who might use the name and prestige of the board for their own ends. My board might easily be one of that group. Another objection we had was that as many of the smaller boards are not necessarily controlled by business men, their primary purpose being to boost their own towns, a work in which the services of every citizen is fairly enlisted, their judgment on purely business questions may not be as sound from our point of view as that of the more exclusively business boards.

Opinion Has Changed

There seems now, however, to be an opinion among some boards, I do not know how widely it is shared, that some Dominion-wide organization should be instituted, and in deference to that opinion, and for the purpose of opening up a discussion, I venture to place before you some ideas of the functions and value of a Dominion board of trade organized along lines somewhat similar in its operation to the United States chamber of commerce with, however, such modifications of details as may be required to meet our own peculiar needs.

"The chamber of commerce of the United States started in 1912 at the suggestion of the president of the United States. This chamber of commerce is now one of the greatest commercial organizations in the world. Its object is to serve business by encouraging trade and commerce between the various states, and with foreign countries, and among other things to secure unified action upon national questions affecting the financial, industrial and commercial interests of the entire country.

"The Dominion board now suggested would be expected to get the mind of the boards of trade and chambers of commerce of the country on important matters that have been under discussion, and they would submit these questions to the various organizations throughout the country in the form of a referendum pamphlet with a ballot in duplicate setting forth the questions to be voted upon. These boards of trade and chambers of commerce would have 45 days within which to consider the questions submitted and file their votes. A two-thirds vote would be required on every question.

"When the will of the membership would thus be ascertained, the results would be printed in pamphlet form indicating the vote of each organization on each question submitted, as well as a summary of the opinions filed by each. Such a pamphlet, when presented to parliament, would carry its own weight—namely, the vote of the organization behind it, and thus establishing in the minds of our legislators a policy of open frankness.

Will Take Time

"Of course, valuable legislation could not be put through in a day. It took ten years of campaigning in the United States to bring about a national budget. Some of the questions that our Dominion board could consider and pronounce upon are: Tariff, taxation, trust legislation, banking, merchant marine, railroad legislation, national budget, industrial relations, employment relations, sales tax, income tax, etc.

"In the course of time it would be expected that the Dominion board would organize the following departments:

"(1) Research Department.—Through

(Continued on page 11)

Head of General Motors Talks on Outlook for Industry in '26

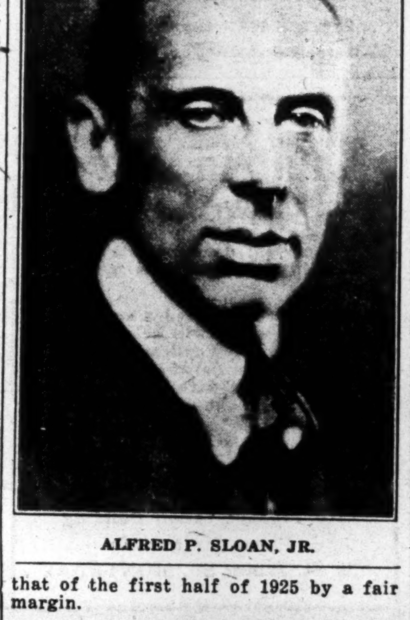
Regarding the outlook for the first half of 1926, Alfred P. Sloan, Jr., president of General Motors, says there is ample reason to expect that the first half of 1926 will be a period of general prosperity, and the automobile industry should share this prosperity. The latter half of 1926 is still too far away for one to judge with much assurance what it may hold in store. He adds:

The momentum of the business recovery since last summer will tend to keep business active during, at least, the first part of 1926. Conditions are in a healthy state of balance at present. Employment is large, prices are relatively stable, transportation facilities are ample and efficiently operated.

Production and inventories, generally, are well controlled, and credit conditions sound. In the light of such a present situation, the expectation of active spring and early summer business seems to be justified.

Automobile buying during the past few months has been particularly good, partly as a result of the greater values afforded by the new models and lower closed car prices, partly as a result of better agricultural purchasing power, and partly as a result of the increased general prosperity.

I expect the consumer demand for automobiles to continue large while general business remains active. The volume of retail automobile sales for the first half of 1926 is expected to exceed that of the first half of 1925 by a fair margin.



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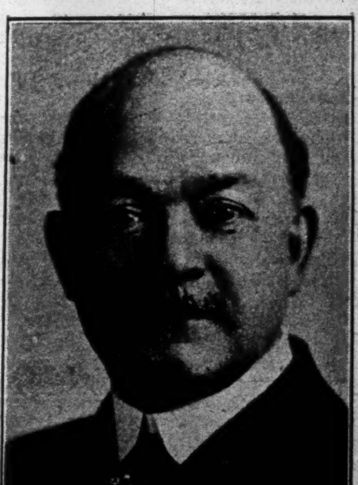

H. H. CHAMP,

Secretary and treasurer, The Steel Company of Canada, Ltd., who has been appointed a director of the company. Mr. Champ has been with the company since its organization and has held his present dual position throughout that time.

Book Reviews

"French in Commerce." By Jean J. Labat, Professor of French, School of Foreign Service, Georgetown University; formerly of the French Embassy. Published by A. W. Shaw Company, Chicago. Price $3.50. No foreign language is so generally understood abroad as French, and a knowledge of French, as used in business in France itself, is a valuable asset to the exporter. Based on wide experience in exporting, in teaching commercial French, this volume affords a broad, working knowledge of modern French in business. It gives an insight into the habits, customs, and methods of doing business abroad. For example, a score of business letters in French form the skeleton of the book. Each is a typical business letter regarding an important article of trade—a specific commercial transaction. The correct usage of language, grammatical rules, commercial terms, foreign weights, measures, methods of payment, shipment, and so on, are brought out clearly.

Advertising, buying, selling, collections, banking, shipping and insurance, duties, are some of the topics covered. Each letter is dated from, or addressed to, a different commercial centre. Informative notes on the industries, shipping, and business activities of that centre follow each letter. Further sidelights are furnished by numerous excerpts from French export trade journals. Of particular help will be found the appendix. It contains a unique French-English, English-French dictionary of trade terms and phrases, and full data relating to French currency, the metric system of weights and measures, current commercial abbreviations, and much unusual trade information. The book is particularly valuable in Canada where the French of commerce has become much Anglicized.

How many rubber manufacturers in Canada?

AN AMERICAN concern wrote to a Canadian company asking this question.

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The New Year is one of the most important periods for a review of your security list and for making a valuation of your holdings.

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Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Steel of Canada

W. B. B., Ontario.—As the country seems settled down to a steady growth, and steel is supposed to be sensitive to business conditions, would you advise purchase of Steel of Canada, common?

In regard to Steel of Canada, you make the point yourself that steel is supposed to be very sensitive to business conditions. Naturally, that being the case, steel stocks would be subject to fluctuations. Undoubtedly there are prosperous times ahead of the industry in Canada, but the point naturally arises whether the market has not already discounted these. Last week we called attention to the fact that "Steel" had crossed par and was selling at the highest point in its history. There seems to be a feeling that the present level has discounted a lot of good news.

Copeland Chatterson

Reader, Ottawa.—I have preferred and common of Copeland, Chatterson Co. This stock has not paid dividends in several years, either preferred or common. I believe preferred has accumulated. Will you advise is there any way to make these people pay dividends or get out of business?

We are unable to give you any figures on the position of Copeland Chatterson Co., of Brampton. There is no way we know of for you to take action to force the company to pay dividend arrears other than the united action of a majority of the shareholders. That would rest with the common shareholders, unless there is a provision on your certificates which gives preferred shareholders voting powers after the stock in arrears of dividends. If that is not the case, then your preferred stocks stand as the usual preferred, with first claim on earnings, if any, and first claim on assets in the event of dissolution, but no voting power.

Porto Rico

R. H., Nova Scotia.—Will you send me along data on Porto Rico common? Will it go on a dividend basis shortly? Would you advise selling?

Porto Rico seems to be working in to a strong position. The last annual report showed an inclination on the part of the company to hide the true facts in regard to its progress. It is believed that the reason behind this is that the company has been negotiating for a new tramway franchise. Its transportation system has not been a great success because of a jitney competition. However, its power sales have been mounting steadily and if a new franchise agreement is brought about giving them an exclusive franchise, eliminating the jitneys, earnings should benefit. In 1924 the company earned 4.67 per cent. of the common stock after making extra liberal reserve provisions. Its working position is quite strong.

Leave Idaho Copper Corp. Alone

Ontario Legislator: I have been reading Wall St. Iconoclast and find great testimonials re Idaho Copper Corp. What is your opinion of it from a speculative standpoint?

We would not advise you to take the Wall Street Inconoclast very seriously. You will note that under heading of the paper that it is published by George Graham Rice. He is regarded as a stock promoter and manipulator. The publication in question is for no other purpose than to boost Idaho Copper Corporation, we believe. Idaho Copper Co. has instituted court proceedings to stop the use of the name Idaho Copper Corporation. Living in the north, you are not far from the mines, among which, we are satisfied, there are speculations of great merit, handled by men of repute.

Border Cities Co.

S. M., Ontario.—As a constant reader of your paper will you please be good enough to let me have your opinion of the Border Cities Co., seven per cent. first mortgage sinking fund gold bonds.

The bond issue recently offered by the Border Cities Co., Windsor, is rather a new departure for Canada, but the plan has been employed rather extensively by some of the leading cities in the United States. Its strong point is that it is based on sales already made and is the first lien on balances due as well as on other properties owned by the company.

The very promising industrial figure of this section augurs well for the future of the bonds, as does also the fact that Detroit citizens are residing on the Canadian side of the river in large numbers. These bonds are generally well regarded.

Tooke Common

Subscriber, North Sydney.—Will you please favor me with your opinion as to the possibilities of any appreciation of the common stock of Tooke Bros. Is this concern meeting with any success and what are the possibilities of the common stock earning a dividend in the near future?

Dividends have never been paid on the common stock of Tooke Brothers. Preferred dividends have been paid on that security up to December 17, 1921, and none have been paid since. As the preferred stock now is about 28 per cent. in arrears, there seems little opportunity for the common shareholders for a long while to come.

During the past three years no dividends have been paid on the preferred stock and earnings for the year ending May 31, 1923, amounted to $19,100. The ensuing year showed a considerable improvement in the earnings, and the last statement, as you know, showed $56,993 applicable to preferred stock dividends.

We learn that the business is showing a steady improvement, but it is slow. There is the possibility that, should better times come for this concern, preferred arrears might be met by a distribution of stock. However, we have no definite information along these lines.

Mining Corporation

S. E. S., Prairies.—How do you regard Mining Corporation at present prices for a long pull in view of the recent sale of Flin Flon? What dividend returns does it give at present price?

Shares of Mining Corporation are regarded as being a speculation of considerable merit. The company has been meeting with excellent results in the development of its South Lorrain property, and is thought to have two or three years' supply of high grade silver ahead of it now. It has been doing very well on its old Cobalt property, which still continues to yield a large amount of silver. The Flin Flon deals will ultimately return $3,000,000 in cash to Mining Corporation, or something better than double the company's expenditure on that property. In addition the company will have a 10 per cent. interest in the new company, which will be organized to operate the property.

While this deal was announced as an option, we understand that the principals were so well satisfied when they took it up, and the details are so well worked out that it has all the earmarks of being a deal practically consummated, only that the payments will be delayed for perhaps a three-year period.

In addition to the above, Mining Corporation has a 33-1/3 per cent. interest in Trout Lake Lorrain mine, which has been doing well. It also has a very promising gold prospect in Manitoba.

The shares are not on a regular dividend basis. In 1925 the company paid one dividend of 2½ per cent., and in January will pay a second of 2½ per cent. When the company was on a permanent dividend basis previously, it paid 50c. a share yearly.

Buy The Preferred

W. H. J., Alberta.—I have about $1,000 to invest. I hold $500 B.C.'s six per cent.; $500 Edmonton seven per cent.; $1,000, 4½ per cent. C.P.R. notes; $1,000 Ontario Transmission, five per cent.; three Bank of Commerce; five Lake of Woods common; 17 C.P.R. common; 21 Bell Telephone common; 10 Maple Leaf pref.; 12 Belgo Canadian pref.; four Royal Bank; $8,000 insurance; business income, $4,500. I thought of buying Canadian Converters, Industrial Milling pref. I hold no mining or textile stocks. What lines should I follow in investments in the next 12 months? What common stocks would you recommend for market appreciation?

Your list of investments is a good one and fairly well diversified. Bell Telephone is a utility that is forging ahead and from time to time has netted shareholders valuable rights. The railway situation in the Dominion is getting increasingly competitive. Your views of the textile stocks are sound. Despite the clamor for protection, we cannot see but what the textile companies in Canada must prosper, living in a climate such as we have.

As to mining stocks, you will find the good dividend paying mines of Northern Ontario, to which might be added Premier of Northern British Columbia, as being in fairly good position and giving fairly good yield. We would advise you to stick to those stocks, because you are a little far from the market to take up an out and out gamble.

You ask what policy you should adopt for your investments for say the next twelve months. There seems to be a feeling that a break is likely to come in the general market sooner or later and when that transpires, the man who has his money in bonds or good sound preferred, will find himself in a much more advantageous position than anyone holding principally common stocks.

International Nickel

J. S. S., Montreal.—What do you think of International Nickel? What is the outlook in view of the present position of New York market? Would you give the dividend record and the last five years' market record of the stock? Is it true that the company controls the world's nickel production?

It is rather difficult to advise in regard to the market position of International Nickel. There is a feeling that that New York market is nearing the danger mark. A break may or may not have a serious effect on the market position of International Nickel. There are about 20,000 shareholders in International Nickel, about 4,500 in Canada, and the balance in the United States, mostly in New York. It was a market realization of the tremendous change which has taken place in the affairs of the company which caused the recent material rise in the market for the shares. Since that has taken place the announcement has been made by the company that it will materially increase its prices for its output during 1926.

At the same time it is just a little difficult to size up International Nickel on its past performances and dividend records, as the company is to-day on an entirely different basis than which it ever worked upon before.

During previous dividend paying periods the company was dependent almost entirely on the demand for armaments to market its nickel. To-day the company's nickel production is on a pre-war basis and very little nickel is going into the making of armaments; instead it is being used in new industrial alloys, the uses of which are steadily increasing, and which assures the company of a steady demand for its products instead of the demands of spasmodic nature which marked previous operations.

From these facts you will see that the previous market and dividend records of the company are not of a great deal of use in sizing up the future prospects of the enterprise. The market records for the past five years which you asked for we give below:

Year	High	Low
1920	26¾	11⅛
1921	16¼	11½
1922	19¾	13¼
1923	16¼	10⅜
1924	27⅛	11½
1925	48⅜	25½

Since Nickel's reorganization and expansion in 1912 the company paid, 1913, 10½ per cent.; 1914, 10 per cent.; 1915, 15½ per cent.; 1916, 25 per cent.; 1917, 25 per cent.; 1918, 26 per cent.; 1919, 2 per cent.; 1925, 4 per cent.

With Mond-Nickel, owned in London, Northern Ontario's two nickel producers, International controls 85 per cent. of the world's nickel output.

U.S. Chamber of Commerce Model for Canadian Body

(Continued from page 10)

this department careful study would be given to the needs of business men, and eventually offering solution for their problems. This department would watch the passage of all bills submitted to parliament, and would keep the members of the various boards informed of the contents of said bills, and to ask for their views on same.

"(2) An Educational Service Bureau.—This could be operated with great advantage to the country. Canadian business is vitally interested in an educational system which will develop individual efficiency and service — school systems, school equipment, teacher training, illiteracy, immigrant training, health and physical education, the educational laws and their administration are some of the more important problems having to do with education which confront every community in the nation.

"(3) Housing and City Planning. — This question could be given careful study. Some day we would hope to see adopted a plan of work that will provide an adequate number of dwellings for all the people in the community.

"(4) Immigration and Citizenship Bureau.—Under this bureau would come such matters as naturalization, legal aid bureaus, immigration policy and similar questions. If our nation is to prosper as it should business men must give thought, counsel and advice on all of these problems.

"(5) Domestic Distribution Department.—Under this heading a study could be made of matters relating to the betterment of methods for the transfer of commodities from the time they leave the manufacturer's door until they reach their final goal in the hands of the consumer. Its purpose would be to bring about a reduction of the price of commodities by means of more practical and effective methods of distribution.

"(6) Natural Resources Production Department.—This would have to do with the country's natural resources, such as lumber, coal, oil, iron, copper, nickel, gold, silver, etc. In other words this department would be concerned with the problems of those industries engaged directly in extracting, harvesting or producing natural resources, or converting these natural resources into raw material.

"It is my thought that it might be possible to organize a Dominion board of trade functioning say through the Ottawa board of trade until the expense of an independent staff and officers would be justified. Through this organization we would hope to secure the opinions of business men on national questions such as I have now outlined, thus aiming at something presently within our reach, which might in the future extend its work as circumstances made possible or advisable.

Proposed Organization

"Some such organization as the following is submitted merely to form a basis of discussion, and for the possible consideration of a committee if deemed advisable by this meeting.

"The Dominion board of trade should be composed of individual boards of trade or chambers of commerce paying fees based on their membership.

"The country might be divided into three regions: Maritime (N. S., N. B., and P. E. I.); Central (Ontario and Quebec); and western (Manitoba, Saskatchewan, Alberta and British Columbia).

"The boards of each region would by any method they might decide upon elect four members of a general council. The general council might elect from their number a president, vice-president and treasurer, one representative of each region. The president, vice-president and treasurer shall constitute the executive committee. The president to be also chairman of the general council.

"The executive committee may initiate propositions to be made the subject of referenda.

"The general council shall pass upon all propositions whether initiated by the executive committee or by a member organization.

"The executive committee shall manage the affairs of the board.

"The head office of the board shall be in the offices of the Ottawa board, whose secretary shall be appointed secretary of the Dominion board.

"Meetings of the general council and executive committee shall be held at the call of the president, and the travelling expenses of the members of the council and committee shall be paid out of the funds of the Dominion board.

"A referendum shall be held on any subject approved by the general council as being of national importance, and the formal submission to the members shall set forth the arguments for and against the propositions prepared in such manner as the council may direct.

"The Dominion board shall not be committed to policy or action except through a referendum.

"The general council shall be charged with the duty of pressing upon parliament the adoption of the views of the Dominion board of trade as ascertained by referenda, and local boards or chambers members of the board shall be expected to use their influence in the same direction. The members of parliament to be fully informed as to the action of the various local boards and chambers, and the majority or minority vote in each case that has been brought before them."

POST-Scripts

EVERY morning during the Christmas Season, the big Toronto department store of Robert Simpson opened the day's selling with the singing of Christmas carols by all the store employees and the few hundred customers, who were on the job before 9 o'clock in the morning. Each morning, some two or three thousand people gathered in the centre of the main floor of the store and were led by an experienced conductor in the singing of Christmas carols that had been printed on song sheets. While there was a certain publicity value in the singing of the carols, the effect upon the store staff was the most important. It started off their day brightly and with the Christmas spirit and helped to maintain store service in an exceedingly trying period.

A STOCK issue has just been made by Life Savers Inc., the company that produces the little candies with the characteristic holes. The circular offering the issue gives an idea of the immense business that has been done by selling mint covered holes to the public. The company started in 1913 with $3,800 of cash. It has been built up to its present proportions entirely out of earnings. Its assets are to-day worth nearly $2,000,000.

The product responsible for this growth is Life Savers, the five cent package confection produced in six flavors and well known in practically every civilized country in the world. Since 1916, over $5,000,000 has been spent to familiarize merchants and the public with Life Savers, and the current advertising and sales development expenditures are over $1,200,000 annually. In 1924, 137,000,000 five cent packages of life savers were sold, and in 1925, 129,000,000 packages had been sold to the end of October. Net profits will be over $1,000,000 this year.

THERE is a point in the following story now going the rounds, says Canadian Grocer:

"I want to buy a cake of soap," said Mrs. O'Brien to the grocer.

"What kind?"

"I don't remember the name," replied Mrs. O'Brien. "But it's the one the advertisments speak of so highly.

In the midst of a bewildering array of comparative claims of excellence and superiority, the consumer of to-day depends more and more upon the merchant to choose the goods which he or she will buy.

Advertising to be effective must be backed by a good product and the best judge of the quality of a product is the merchant who knows merchandise and applies scientific standards to the judging of it.

Mrs. O'Brien tried to remember the name, but could not. Many women would remember half a dozen different soaps and leave it to the merchant to tell her which was best for her purposes.

THREE men were lunching on Monday last in a Toronto restaurant. The orchestra began to play "The World is Waiting for the Sunrise."

"There is a Made-in-Canada product." remarked one of them. "Ernest Seitz, a local pianist, wrote that. He is a son of J. J. Seitz, president of the United Typewriter Co., that sells Underwood Typewriters through branch offices all over Canada."

When the three men were coming out of the restaurant they met J. J. Seitz, who had also been lunching in the same room. One of them remarked upon the triple coincidence of the music and the conversation and the presence of Mr. Seitz himself.

"Oh, I'm past the stage where it is a coincidence for an orchestra to play my son's composition when I happen to be around. I have heard it all around the world, and, of course, the conductors never know that the composer's father is present.

"I was in Athens not long ago, and we got up a party for dinner. When we sat down in the restaurant, the first piece the orchestra played was 'The World is Waiting for the Sunrise'."

Incidentally, Ernest Seitz's song is one of the few Canadian productions to have achieved world-wide recognition and one of the few to make a comfortable fortune for the composer.

Current Opinion

CAUTION IN INVESTING

Christian Science Monitor: There is no denying the fact that the desire to gain quick and unearned profit leads many to the unwise and regrettable investment of their savings. Promoters of unsound enterprises bank upon this tendency, and in recent years their gains have been tremendous. However, reprehensible the practices of fraudulent exploiters may be, the fault is not alone that of those public officials who are supposed to have the power to prevent the frauds perpetrated. In the final analysis, in most cases, the investor himself has allowed himself to be made the victim of some scheme which the exercise of ordinary prudence would have disclosed as vicious, or even criminal. The trouble is that the prospect of making a profit greater than might be made in the ordinary course of business has induced the taking of chances which no cautious person would advise.

THE PRIZE BILL

Victoria Times:—The prize for introducing the bill embodying the most pleasing features so far goes to the Minister of Finance. Reductions of personal property and income taxes are steps in the right direction, and we hope the minister will continue the good work next session. Lowering taxation to encourage the development of industry, thereby creating fresh centres of economic strength, is the primary objective of most progressive governments to-day. This is the best way to stimulate private initiative and investment, which experience shows, is a much more effective means of building up the country than government adventures in industrial enterprises. We may assume that other sources of revenue which will not press so heavily upon the taxpayers will be found to make up the loss the reductions the minister proposes will involve.

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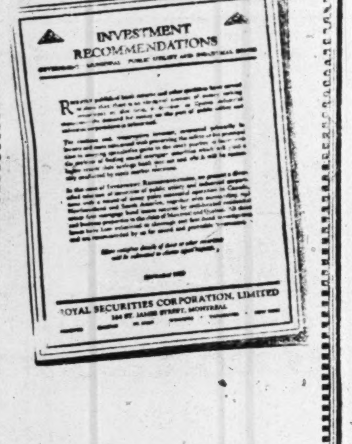

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Public Interest Safeguarded in Distribution of Bonds

By W. Y. Brown, Halsey, Stuart and Co.

There are two other methods, in addition to those dealt with last week by which Blank & Co. can distribute an issue of bonds, namely, by the formation of either a "wholesale group" or a "selling group."

These two groups are much simpler than the syndicate. You will recall that in the formation of a syndicate, the dealer first agrees to assume a liability in the form of a participation and then withdraws such bonds as he may need for his own use.

The "wholesale group" system is very similar in method to wholesaling in merchandising lines. A merchant, knowing his trade very well, buys outright such goods as he requires. Likewise, in the "wholesale group," bond dealers, who know their clientele very well, decide how many of the bonds they can distribute and then purchase this amount outright. There is no necessity for first assuming a liability as is the case with the syndicate. A member of the wholesale group, in indicating the amount of bonds he desires, takes a "commitment."

In the formation of a selling group or distributing group, the entire process is still further simplified. Dealers are given the opportunity to report subscriptions or orders for bonds without necessarily having to make definite commitments in advance before they obtain orders from their customers. It is customarily true that in the instance of the selling group, the wholesaling and retailing of the issue are simultaneous. In other words, arrangements are made so that dealers will receive full details of the issue promptly on the day set for the public offering.

The dealers then report their subscriptions, or orders to the selling group manager as fast as they receive them; or, on the other hand, they may elect to enter an order for a block of bonds even though the amount which they so request may at the time, be in excess of their actual orders. In groups of this character, dealers continue their efforts to sell bonds as long as they are available.

In several ways, the syndicate, wholesale group and selling group are similar. In each case, the dealers are obliged to make payment on a specific date for their bonds. Likewise, the price at which the bonds are to be delivered to the dealers is usually fixed at a figure which allows a portion of their wholesale or selling group commission or syndicate profit to remain in the hands of the managers, to provide for expenses. When the group or syndicate is terminated any such profit remaining to the credit of the dealers is remitted to them.

Syndicates may be formed when the security market is less active, when bonds are harder to sell and it takes longer to sell them. It should be emphasized that this does not mean that the bonds are not as good as those which are available when conditions are different. It simply means, usually, that the investing public has not the same available supply of funds for investment or the inclination to invest which it has at other times.

A syndicate has the advantage of attracting not only those dealers who are confident of their ability to withdraw and sell bonds to the full extent of their participations, but also those dealers who are willing to take participations and withdraw a reasonable amount of bonds, with the expectation of selling them and very likely additional bonds later on. This latter type of dealer while he is assuming a liability to the extent of his participation, realizes that if he does not discharge his own liability as a result of his sales, that his liability may be materially reduced or even entirely discharged by oversales which may be made by his fellow members.

His obligation, in a syndicate, therefore, does not have to be consummated at once and is subject to the possibility of a later reduction, whereas in the wholesale or selling group, his purchase of a definite amount of bonds is an immediate obligation which has to be assumed as soon as the bonds are ready for delivery. Dealers usually go into a syndicate understanding fully that if at the time the syndicate is terminated they have not withdrawn their bonds or made sales up to the full amount of their participation, they will be called upon to make payment for the bonds to the extent of their undischarged liabilities. Those who have been in business long enough are not disturbed when they find they have to pay for bonds which they have to take up to discharge a liability.

A syndicate is a form of protection to assure the distribution of an issue of bonds, for if the bonds are not readily subscribed for by the investing public, they will be distributed among a great many dealers, who will continue to sell them, instead of being left in the hands of only one house, which might find it difficult to

(Continued on page 13)

News of the Investment Market

MARKET INACTIVE BUT PRICES FIRM AS YEAR CLOSES

Few New Bond Issues Coming Forward Until Early in Year

The closing week of the year brought forth no new issues of importance in the bond market, nor has there been any large volume of trading during the past two weeks. The activity that has existed is mainly in the preparation of new issues, principally industrial. Outside of the prospective issue of $1,250,000 for the province of Alberta, which is expected early in the year, there is no large government financing in prospect until towards spring.

Despite this slackness, bond prices have remained decidedly firm. This is probably due chiefly to the large volume of funds being made available for investment in January. According to figures presented in a recent issue of The Financial Post, more than $31,000,000 will be made available from bond interest and dividend payments during the month. Other factors such as the almost unprecedented volume of savings bank deposits, and the large volume of funds being invested in foreign securities, are ample evidence of the fact that there is abundance of funds in the Canadian market to absorb the surplus. Insofar as business is concerned, this is manifestly not a good sign. Demand for bank loans is insufficient to absorb the volume of savings available. Rather than entering upon new business ventures by borrowing directly from the banks, there is a decided lack of demand for these funds in active business, and a greater demand for them in the "financing" market. Increasing business activity will be slow, according to present indications, in attracting these available funds from the investment markets, so that similar money conditions may be expected during at least the early part of 1926.

In the New York market there has been very active trading during the latter portion of the year, and prices have remained firm. An accumulation of orders arising during the early part of the vacation period led to a large volume of business which had to be transacted before the close of the year. Oil and rail issues were the features during most of the past week.

Atlantic Sugar Board Confirms Funding Plan

MONTREAL.—Atlantic Sugar directors gave their authorization to the plan for funding raw sugar indebtedness and providing the company with new working capital. The raw sugar creditors, both in the United States and in England, have agreed to take their payment in fifteen-year 5 per cent. bonds.

New working capital will be provided through the issue of 80,000 shares of no-par value common stock. This stock will be offered to both common and preferred shareholders on the basis of one new share for each two shares held at the price of $25 per share. This issue is said to have been underwritten already, and will give the company something over $700,000 new working capital. A special general meeting of shareholders will be called next month to take the necessary steps for changing the common stock from $100 par value to no-par value.

It is estimated that net profits for the current year after all charges will amount to well over half a million dollars.

INTERESTING ISSUES

Rio. Tram Bonds Maturing 1935 Offer Sound Investment

The record of stability and the wide market for the first mortgage five per cent. bonds of the Rio de Janeiro Tramway, Light and Power Co., suggest this bond as an attractive short time investment to the prospective buyer of this type of security. The bonds mature in January, 1935, and the current quoted price is 93. At this price, considering the security behind the issue, the yield is attractive.

The Rio de Janeiro Tramway, Light and Power Co. is controlled by the Brazilian Traction Light and Power Co., Ltd., and is thus one of the evidences of Canadian enterprise abroad. The company was established in June, 1904, and is direct owner of nearly all of its tramway system comprising 255 miles of track as well as other extensive public utility services in and around the city of Rio de Janeiro, serving a population of more than 1,350,000. The franchises of the company extend until 1970 and give exclusive privilege until 1940 over a large area of the city and surrounding district. There are also important gas and electric properties which have been acquired as the company extended its activities. These are now operating on a large scale, and are increasingly remunerative.

The Telephone Business

In addition to the activities mentioned, the company has extended its activities into the telephone business, and owns the entire capital stock of the Rio de Janeiro and Sao Paulo Telephone Co. This company is capitalized at $5,000,000, has bonds amounting to $12,500,000 and has acquired the properties and business of a number of smaller telephone companies which formerly operated in the district. These are gradually being merged into one unified system.

The bonds of the Rio Tramway are secured by a first mortgage on all the present and future undertakings of the company, including real and personal property, earnings, income rights, powers and franchises. The $25,000,000 bonds, which is the entire issue, therefore stand as a first charge against the enterprise and its specific properties. They are issued in denominations of $500 and $1,000, payable in London, Toronto and New York, and in $100 denominations payable in Toronto, London, Geneva, Brussels and Berlin, at fixed rates of exchange. This variety of paying centres has been a factor in recent price changes on account of the exchange situation. A sinking fund amounting to one per cent. of the outstanding bonds was established in 1910 and at the beginning of 1924 this had grown to $5,236,960.

Price Fluctuations

During the post-war period, uncertain conditions abroad, and the wide fluctuations had disastrous results on the price of this as well as many other securities, and in 1920 the price was driven down to around 60. At that price there was a realization of the splendid investment value of the security, and large quantities of the bonds were bought. During that year sales totalled $813,300, which was a much larger volume than is normal. Since then prices have appreciated steadily to present levels. The high and low for the past five years were as follows:

	1920	1921	1922	1923	1924
High	75½	84½	87¼	87	86½
Low	60½	73	73	82	86¼

With total assets many times the value of the bonds outstanding, the yearly earnings of the company available for the payment of interest and sinking funds on this issue of several times the amount required, the bonds under discussion have grown in favor with the shrewd investor. The market for the bonds is wide and their security is assured.

MAY CUT NUMBER CABINET MINISTERS

Consolidation of Departments Discussed to End of Cutting Costs

OTTAWA.—Discussion is taking place in regard to a possible consolidation of a number of the departments of the government, with a view to reducing the cabinet ministers. It is considered to be quite probable that a new Secretary of State will not be appointed if the present government is sustained, says the Ottawa Citizen but that the department will be merged with the Department of External Affairs, although retaining two deputies.

Another possible merger is that of the department of the D. S. C. R. with National Defence. Nor is it yet certain that immigration will remain as a separate portfolio. In the days when the influx of immigration was the heaviest it was directed as a branch of the Interior Department, and it may revert there.

Consideration of the departmental estimates discloses a tendency to create a great many classifications in the service. In one department it is claimed there are 93 different classifications, and the disposition of a branch head is to emphasize the importance of his position by building up a staff of his own. Last year considerable diminution in the service took place, and the reductions made then do not suggest the probability of further cuts in the coming session, although in some spots this may be done. Economy is being urged in outside places as well as in Ottawa. Some of the wartime creations that are still perpetuated are costing a great deal more than is paid for similar work that is being performed as part of one of the old established departments.

Bond and Shareholders of Black Lake to Meet

A notice has been sent to the bondholders and creditors of the Black Lake Asbestos Company that an order winding up the company has been granted by the Superior Court of the Province of Quebec, and that a meeting of the bondholders, creditors and shareholders has been called for Dec. 28, 1925, at 10 o'clock, in the city of Montreal, to appoint a final liquidator.

This winding up appears to be sort of a sequence to the recent completion of the purchase of the majority of the bonds of the company from the bondholders' committee, formed in Toronto some years ago, who recently made a final disbursement to the bondholders whom they represented.

It is understood that the Black Lake Company is to be taken into the merger, but before title can be given to the properties it has to go through liquidation. Just what this means to the minority bondholders remains to be seen, and inquiry from Robert F. Massie, who has been acting for the minority bondholders, brings the statement that up to the present time no arrangement has been made for a settlement with the minority bondholders, though negotiations are still being carried on.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	100	100¾
Alabama 5% 1962	108½	109
Algoma Steel 5% 1962	29	30
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	100½	101¼
Brand-Henderson 5% 1939	90	..
Burns, P. & Co. 6½% 1943	102¼	103¼
Can. National Rly. 5% 1954	100¾	101⅛
Calgary Brewing 5% 1942	83½	..
Can. Steamship Lines 7% 1942	100¾	101½
Can. Pacific Rly. 5% 1934	99½	99¾
Can. Pacific Rly. 4½% 1944	92⅞	93⅛
Can. Steel Foundries 6% 1936	100	..
Dom. Iron 5% 1939	65	..
Dom. Textile 6% 1949	105¼	..
East Koot. Power 7% 1942	102½	..
Frontenac Brewing 6% 1951	94¾	..
H. Smith Paper 7% 1941	97	97¾
Laurentide Power 5% 1946	99¼	100
Laurentian Power 6% 1936	99¾	..
Maple Leaf Milling 6½% 1943	104	..
Man. Power 7% 1941	103¼	104
Mattagami 7% 1949	35	..
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100¾	101¼
Nor. Ont. Power 6% 1931	98¾	99½
Ontario Pulp 6% 1931	107	..
Price Bros. 6% 1943	101½	..
Quebec Power 6% 1953	102½	103
Walmsley, Chas. 6% 1943	96	97¼
Winnipeg Elec. 6% 1954	96½	97¾
Sherbrooke Rly. 5% 1940	77⅛	..
St. Law. Sugar 6% 1932	92	..
St. Maur. Power 6½% 1953	107¾	108¾

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April 1st, 1940
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Municipal and Provincial Finance

ONTARIO HIGHWAY FINANCE INVOLVES MUCH OVERLAPPING

Rural Sections Required to Pay Unduly Large Share of Costs

Relative to the problem of road financing in Ontario, S. L. Squire, deputy minister of highways, speaking before the recent convention of the Canadian Tax Conference, said in part:

"During the last twelve years there has been expended upon roads in Ontario a sum no less than $170,000,000. This great amount of money was paid or contributed largely by the rural municipalities, and I will show you the percentage. The township road authorities spent in this period $33,000,000; the county authorities, 80 per cent. of which were rural, contributed $36,000,000; the highway department spent $77,000,000, and the public works department just under 2,000,000; the colonization roads branch $4,784,000, and the northern development $15,466,000. The total is $169,518,000, which, of course, comes very close to $170,000,000 in round figures, which I am using.

"Of that total, where has the money come from? We find that the rural taxpayer has provided 41.4 per cent. of that amount. We find that the federal government has paid three per cent.; that the motorists have paid 13 per cent., and the towns not separated from the counties—and you men will appreciate what I mean by that—have paid five per cent. of the total, and cities and separated towns less than three per cent. of this total of $170,000,000.

"I want just here to show you wherein I feel that we in this province have done a considerable amount of overlapping in connection with the administration of highways. I believe that we should endeavor to co-ordinate all highway expenditure in a manner which would give us an efficient highway system at the very least possible cost to the taxpayer. That would appear to me to be logical and in the interests generally of roads. You may or may not be familiar with this, but when I tell you that we have to-day not less than eight spending bodies that are responsible for the roads in this province, in some form or another, it will appear to you, as to me, that there must be considerable overlapping. The eight bodies to-day responsible are those which I have already mentioned, that is: the colonization branch, the department of public works, the highway department, the county road organization, township road organization, suburban commission authorities, the northern development branch, and, in one instance, a special commission which is allowed to spend money upon the roads in this province. Eight spending bodies doing the work which certainly, by careful consideration, co-operation and co-ordination ought to be undertaken and controlled by at least a great deal less than that number.

City's Share Too Small

"Now we come to a question in which sometimes I find myself in serious opposition to those of the cities. At the first of my address I made the statement that roads were considered of a local nature and should be paid for by local contribution. I would not suggest to-day that we would pay anything toward the construction of a lane leading to private property. The lane is evidently placed there by the owner of the private property for his own special benefit, but I do contend that where roads are built and used for other than local use, that in the proportion to that other than local use there should be an outside contribution toward their construction and maintenance. I do not think it should be necessary for any municipality at its own expense to maintain roads which are going to be used largely by other municipalities in connection with highway traffic. I have a map with me which gives you an indication of the circulation of traffic in the province of Ontario. This reflects a recent traffic census, taken in the months of July and August of the present year. If you will examine that map, you will find shown by lines the traffic on provincial highways. Each line shows an average of 200 vehicles a day, and, more graphically and eloquently than any words of mine, shows you at once that traffic centres towards the cities, and the larger the cities the greater amount of traffic diverted there. I will deal just in a word with the traffic centring around Toronto.

"This to me is something which is an argument in connection with benefit which is unanswerable. Sixty-five per cent. of all the highway traffic in the province is within a radius of 100 miles of Toronto. It is only by comparisons we can get the flow in highway traffic. Last year, by careful inquiry and analysis, we discovered that there is entering and leaving Toronto by the steam lines an average of approximately 25,000 people per day. It is definitely known the number of people who enter or leave by electric roads, a trifle over 17,000. By water, other than the ferry, there was an average of practically 500 people on a 300-day basis for the year. In other words, leaving and entering Toronto by all means of transportation other than highways, we find that there was just an average of over 42,000 people daily, while in connection with the highways there was an average of 23,000 (speaking now of 1924) vehicles entering or leaving Toronto daily by means of our roads. If there were three people to the car, you have approximately 70,000 people. The increase between last year and this year is nearly 30 per cent.; but the traffic census, taken this year on Labor Day—and I will admit that is a day which would show more traffic than any other day—showed no less than 62,000 vehicles entered Toronto or left Toronto on that day. If they averaged three persons to the vehicle, you can see there were 180,000 people left or entered Toronto in one day. Now the statement I make is this: that the highways of this province, so far as Toronto is concerned, have nearly twice the value to that city as all other means of transportation. You might say a great many people who leave and enter by the highway are those engaged in business in Toronto. I quite agree with you there, but one thing I want to emphasize is that whether we appreciate it or not there is undergoing an economic change in this province of a more rapid nature than we even guess, which is displacing the smaller towns as commercial centres and reflecting to the credit of the larger centres. The larger the centre the greater the drawing card and people to-day judge their distances, not by miles, but by time, and the larger the purchase, the farther afield they go for it. The effect that is having on the small town in this province is more apparent than possibly we have yet conceived of, but it does not seem to me it calls for a prophet to discover that within a very few years the small towns in this province, because of improved highway facilities, will no longer be commercial centres, but paying tribute to the larger centres, and as far as they are concerned, only residential boroughs in which some of the fortunate people from the larger centres may live.

"Now we come back to the question of payment. If this is true is it fair that we should continue to ask the rural parts of this province to pay the proportion of taxes which they have in connection with the construction of roads, while we are letting the cities, which are benefiting from these, go pretty nearly free? It does not seem to me fair or equitable, and I believe that further investigation of this will have to take place at an early date if we are going to see that both city and country prosper and that both receive an equal benefit."

BOND MOVEMENTS OF THE WEEK

WEEK ENDING DECEMBER 28

Bonds	Int. Rate	Due Year	Yield	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Latest Price Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos	5	1942	5.74	83	73	99	80¼	92	—	92	—
Can. Canners	6	1950	6.44	—	—	96¼	90	94½	94	94½	94
Can. Locomotive	6	1951	6.15	96¾	96	98¼	98	98	—	98	—
Canada Bread	6	1941	5.61	102½	99	105	102	—	105	104	—
Canada Cement	6	1929	5.09	103½	100	103¼	100	—	103	103¼	—
Montreal Trams (A)	5	1955	5.46	95	91	98¾	92¾	93	92½	93¾	92¾
Quebec Rly.	5	1939	5.70	91	80	98	89¾	93⅛	—	93¼	93
Wabasso	6	1947	6.04	96⅛	90¼	99	92	99	98⅝	98⅝	—
Wayagamack	6	1951	6.50	86	74	98¾	84¼	92⅛	—	93¾	92
War Loan	5	1931	4.56	102.45	101.60	102.65	101.00	102.25	102.15	102.20	101.85
Do.	5	1937	4.53	103.85	102.60	104.95	103.80	104.30	104.20	104.10	103.95
Victory Loan	5½	1927	4.44	103.05	102.05	103.15	101.70	102.20	102.10	102.00	101.95
Do.	5½	1933	4.65	106.70	104.15	107.00	105.10	105.80	105.65	105.70	105.35
Do.	5½	1934	5.00	104.70	102.85	104.80	103.20	103.90	103.80	103.90	103.70
Do.	5½	1937	4.55	108.90	106.15	110.00	108.15	108.80	108.70	108.85	108.60
Do. Refund	5	1928	4.86	100.85	99.50	101.45	100.15	100.70	100.60	100.80	100.60
Do. "	4½	1940	4.85	—	—	97.25	92.20	96.10	96.00	96.25	96.20
Do. "	5	1943	4.85	102.85	99.00	102.90	101.15	101.60	101.50	101.35	—
Do. "	4½	1944	4.77	97.15	97.00	97.75	96.20	96.75	96.65	96.90	96.40
Do. Renewal	5½	1927	4.90	102.70	101.10	102.95	100.80	—	101.30	101.35	101.10
Do. "	5½	1932	4.96	103.90	102.10	104.20	102.65	103.15	103.05	103.10	103.00

WEEKLY RECORD OF CANADIAN FINANCING

MUNICIPAL

Place Bond Sales—	Date	—Sold To—	Rate	Maturity	Amount	Price	Yield
Leamington	Dec.	A. E. Ames & Co.	5½%	15 & 20 ins.	$86,046	102.53	5.16
Brantford	Dec.	Locally	5%	1950	21,200	....	...
Kenogami	Dec.	Credit Municipal	5½%	1935	16,600	99.12	5.69
Amqui	Dec.	Bray, Caron & Dube	5½%	1930	74,900	....	...
Saskatchewan Schools, etc.	Dec.	Various	....	....	50,700	....	...

BIG LAND SUBSIDY IS OFFERED WITH PAC. GT. EASTERN

B. C. Government Also Offers Tax Exemption to Prospective Buyers

From Our Own Correspondent.

VANCOUVER.—The British Columbia government, in its effort to get rid of the Pacific G. E. Railway incubus, which has cost so far over $50,000,000 to build and maintain, has offered to turn over 16,000,000 acres of land as a subsidy to anyone who will take the railroad and run it. And as a result of this offer, which carries with it exemption from taxation over a term of twenty years, there are many who would not be surprised to see the railroad pass into the hands of Americans rather than the Canadian Pacific Railway or the Canadian National Railway.

It is recalled that shortly after the war capitalists of Portland and San Francisco made overtures for the acquisition of the road on a land grant basis. Nothing was ever done about it, but it is considered likely here that the next offer for the line—that is to say, if any is made—will come from the same quarter.

The decision of the government to offer such a large inducement indicates a definite resolve to get rid of the railway, which has been a constant drain on the provincial exchequer. An interesting feature of the new scheme is that the interests who take over the road must guarantee to extend it into the Peace River country, a project which, while enthusiastically urged by an influential group, seemed just a little too expensive for the government to embark upon after spending so much money without appreciable return.

There are three well defined tracts that will go to the successful bidder for the road. One of them contains a wealth of pulpwood, said to be the most valuable hemlock stands in Western Canada. Another comprises a large section of admirable grazing country in the Chilcotin, British Columbia's best known big range country, and the third embraces some of the vast tract in the Peace River country which before the war was investigated to some extent by representatives of the late Lord Rhondda's oil interests.

Federal Aid Sought

The provincial government is also asking for financial aid from the federal and imperial governments in extending the road from Prince George north to the Peace River, and if this is forthcoming the government will proceed with the extension whether or not private interests take over the line. Coupled with the whole scheme is a project to enlist the co-operation of the imperial authorities in colonizing the territory served by the railway.

Since the first announcement of the subsidy proposal was made the government has qualified its offer by stating that before any agreement is made the legislature must give its approval and that, while 16,000,000 acres will be set aside as a land grant, this does not mean necessarily that the whole area will be turned over to the railroad, but merely selected portions or it.

VANCOUVER POLL TAX

Poll tax collections of the city of Vancouver are said to be some $27,000 above the estimates. A total of $67,247 has been collected, while estimates called for only $40,000. A new department has been established for the collection of the poll tax and it is stated that the net cost of collecting has been only seven per cent.

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Buy Railway But Don't Let Hydro Manage It

The latest solution being offered for Hamilton's Street Railway problem is that the city should purchase the line and have a commission of its own to operate it and not hand the operation over to the Ontario Hydro-Electric Commission. The failure that has marked Hydro's operation of the Guelph Railway was pointed to as an example of Hydro success, or lack of it.

ALBERTA TO BORROW SHORTLY

The province of Alberta will shortly place in the market an issue of approximately $1,250,000, it is expected. The funds are needed to provide necessary revenue for the government until the usual grants are provided by the legislature. It is stated that 1925 will go on record as the best year the treasury has had in the sale of Alberta savings certificates. At the end of November, the deposits for the year were $2,047,224 and the December business has kept up the pace so well that the year's total is expected to be fully twice that of the heaviest preceding year since the certificates were introduced.

This Week's Bond Sales

ANTIGONISH SELLS BONDS

To cover the cost of its recently constructed lighting plant, the town of Antigonish has sold $60,000 thirty-year five per cent. debentures to Arthur O. Phillip, of Halifax, at 99.5.

KENOGAMI BONDS SOLD

The Catholic school commission of Kenogami has sold an issue of $16,600 5½ per cent., 10-year serial bonds to Credit Municipal, of Levis, at 99.12, which is equal to a cost basis of 5.69 per cent. Tenders received were as follows:

Credit Municipal	99.12
Municipal Deb. Corpn.	98.35
Bray, Caron & Dube	98.28
A. Tremblay	98.00

Tenders and By-laws

TENDERS CALLED

January 4, Town of Sainte Therese, P.Q.—$65,000, 5 per cent., serial debentures. J. L. Blanchard, secretary-treasurer.

January 4, School Commission of La Sarre, P.Q.—$10,000, 5½ per cent., serial bonds. J. A. Gagnon, secretary-treasurer.

January 4, Town of Dorval, P.Q.—$35,000, 5 per cent., serial debentures. H. Meloche, secretary-treasurer.

Jan. 8, Westville, N.S.—$15,000, 5 per cent., 30-year school debentures. T. W. Murray, town clerk. (See announcement elsewhere in this issue).

Jan. 8, Village of Arthur—$10,450, 5½ per cent., 20-year debentures. D. T. Small, clerk.

SASKATCHEWAN

Authorizations granted by the Local Government Board From Dec. 12 to Dec. 19, 1925

Schools—Comvent Creek, No. 4640, $3,300; Antelope, No. 1116, $3,000; **Rural telephones,** Eston Pioneer, $3,050; Dafoe-Copeland, $600; Vidora Village, $1,000.

Debentures Reported Sold

Pahonan S.D. No. 126, $1,500, 10 years, 6 per cent., Regina P.S. Sinking Fund; Brixton, No. 4614, $3,000, 15 years, 6¼ per cent., Regina Brokerage & Inv. Co.; Ingleside R.T., $3,700, 15 years, 6 per cent., Moorhouse & Co., Regina; Elfros Village, $7,500, 15 years, 6½ per cent., Nay & James, Regina; Assiniboia Town, $35,000, 30 years, 6½ per cent., Regina Brokerage & Inv. Co.

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If in doubt—don't —is a safe rule to follow when investing.

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THE PUBLIC INTEREST SAFEGUARDED IN DISTRIBUTION OF BONDS

(Continued from page 12)

sell an unusually large amount of one issue of bonds to its own investor clientele.

Interest of Public Safeguarded

Yet this machinery is not devised solely for safeguarding the interests of the investment dealers without regard for the interests of the investing public. It is the vast number of investors throughout the country, who in the final analysis become the holders of the securities which are distributed through the wholesaling process. Houses of issue, therefore, must give just as serious thought to the interests of the investors in marketing the bonds, as they do to the preliminary investigations of an issue before purchasing it. The securities must be offered at prices which give the investors the opportunity to place their funds at a rate of interest which is in keeping with conditions and other investment opportunities of similar character.

The fact that dealers are not permitted to sell securities at more or less than a stipulated price during a certain period, is likewise a requirement which benefits the investor. When a new issue is offered, the investor has the assurance that he is offered the opportunity to buy the securities at a price which is being uniformly observed.

It would not be possible to offer an issue of securities to the public without some definite understanding among dealers as to price; otherwise the market for securities would become demoralized and the investor would not know at what price to buy. The machinery by which securities are wholesaled has been developed by the demands of the times. It is an essential in the continuation of civic and industrial progress, for in every aspect of life, you can see the many modern necessities and conveniences which have been made possible through the sale of securities. The railroads on which we travel, the electric light and gas in our homes, the schools to which we send our children, the parks in which we recreate, the lumber in our houses, the meats on our tables from the great packing houses—these are but a few of the countless essentials made available through such distribution of securities, as has been described in these four articles.

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LIFE INSURANCE SOLD IN 1926 MAY TOP $650,000,000

West Comes Through With Big Sales in Closing Months

Sales of Life Insurance in Canada and Newfoundland

	1924	1925
January	$30,673,000	$30,838,000
February	30,704,000	28,698,000
March	34,388,000	35,001,000
April	32,603,000	35,872,000
May	33,368,000	34,377,000
June	34,295,000	42,307,000
July	33,205,000	37,671,000
August	27,983,000	31,724,000
September	30,029,000	33,543,000
October	32,438,000	36,259,000
November	34,357,000	36,760,000
December	37,120,000	....

The better buying power of western Canada is seen in the fact that life insurance sales there show a gain varying from 12 per cent. in Saskatchewan to 33 per cent. in Manitoba. This is one of the significant facts revealed by November sales figures just issued.

Canadian purchases of ordinary life insurance in November were 7 per cent. ahead of the corresponding period of last year, according to a report just published by the Life Insurance Sales Research Bureau of Hartford, Connecticut. During this month $36,760,000 of new business was delivered and paid for by companies having in force 83 per cent. of the total business in Canada.

Practically every province shows improved conditions. The increases in the various provinces range from 4 per cent. in Quebec to 42 per cent. in Prince Edward Island.

Improved business conditions over last year are reflected in the West by the records of Alberta with a gain of 20 per cent., Saskatchewan with a gain of 12 per cent., and Manitoba with a gain of 33 per cent. In the East, Ontario, Quebec and Nova Scotia show gains of 6, 4 and 7 per cent. respectively.

There is a wide variation in the records of the different cities. Hamilton leads with a gain of 25 per cent. Toronto and Winnipeg follow, each with gains of 12 per cent.

The cumulative sales for the first eleven months are 8 per cent. greater than in the corresponding period of last year. Most of the provinces share in the gain for the eleven months.

The figures given, it may be pointed out, are not to be accepted as the total sales figures, as all of the companies do not contribute their totals to the record. However, they are a valuable index of the trend of life insurance sales in Canada.

Accepting the estimate of an 8 per cent. gain for the year, they seem to promise total life insurance sales in Canada of $650,000,000 for 1925. This compares with $608,000,000 of insurance paid for in 1924 and $543,000,000 in 1923. These figures are in addition to group insurance.

Life Insurance Service Broadened During 1925

This review, 1925, in life insurance in the United States, makes an excellent summary of life insurance in Canada as well. It is from the Spectator, New York:

"The year 1925 in the life insurance field has been a notable one in various ways. It has outdone all previous years in the volume of new business produced, and has reached a new height in the matter of resources. Many companies are changing their standard policy forms in some details, generally enlarging the scope of the privileges of policyholders. A continuation of the tendency toward making whole life policies endowments at eighty-five is noticeable, and companies changing their dividend scales have generally increased their dividends. More and better service to the people is thus being rendered by the great institution of life insurance."

CONSTRUCTION BIG FACTOR IN FIRE PREVENTION WORK

Business Man Should Consider Insurance Rates in Building

This article is a discussion of the prevailing types of building construction, pointing out the advantages and disadvantages of each with especial reference to the fire hazard.

Frame Construction.—Frame construction has but one advantage—its low first cost. It has some value for temporary buildings and may require less skill in erection than other types. The advantage of low first cost is materially offset by its high combustibility, high insurance, and maintenance charges, and its small salvage value. Frame buildings are unsanitary, suffer from vibration due to machinery, and have serious limitations in regard to floor space and lighting areas.

In spite of these disadvantages frame buildings are often used. Although they are readily burnable, the owner of such buildings can do much to reduce their fire hazard. Frequent fire walls, thorough firestopping, and protection of vertical and horizontal openings will do much to reduce the chances of the entire property being destroyed by fire at once.

Automatic sprinklers will also prove a wise investment and serve to greatly increase the fire-safeness of the structure.

Slow Burning or Mill Construction.—While this type of building will burn, it burns slowly because it consists of heavy timber construction, where the area of exposed wood is small compared to its total bulk. It possesses a degree of physical adaptability which concrete or steel buildings do not, and is especially liked by workers who find wood floors comfortable on which to stand. This type has relatively low insurance charges and is readily demolished or repaired after a fire.

Disadvantages of this construction are that its maintenance is relatively high, it has the same difficulties with vibration, and is as limited as to floor and lighting areas as frame, and often takes longer to erect than other types. It is less sanitary than the fire-resistive type of building, and is not as well adapted to carry heavy machinery as a concrete one.

Many of the advantages from the fire hazard standpoint of this construction over frame are lost where fire walls and fire stops are not provided, and where belt holes, elevator shafts and other vertical openings are not thoroughly protected to keep a fire in the section where it originates. Sprinklers are here of great value as in every type of construction.

Fire-Resistive Construction.—There are two general types of construction classed under the above title: reinforced concrete, and protected steel frame. The general advantage of both these types is that they are not ordinarily combustible. They require a comparatively short time for erection, are the most sanitary, have the lowest depreciation charges and maintenance costs, permit the greatest economies in floor space, provide superior lighting arrangements, and are freest from vibration and noise. Their principal disadvantages are that the cost of alteration and demolition is high, and that workers dislike to work on concrete floors.

Where steel is used, unprotected with concrete or tile, it is not considered fire-resistive. Bare steel frame construction is sometimes used where large window areas are required. Steel beams are often used to get large bays in mill construction buildings. These suffer much damage in a fire, as the steel members fail under heat.

The benefit of the incombustible construction is lost when devices are not installed to restrain any fires that start. A building can never be "fireproof" as long as it contains combustible materials, hence the limitation of areas between fire walls, protection of horizontal and vertical openings and installation of automatic sprinklers is as important in this type as in either frame or mill.

The argument is for the use of the best grade of that type of construction that will give the advantages desired and for the limitation of fire areas, the protection of vertical and horizontal openings, and the installation of automatic sprinklers regardless of the type of construction chosen. Only in this way can the business man be assured that when fire comes his business will suffer the least possible interruption.

Sprinklered Risks, Even at Low Premium, Have Small Loss Ratio

The recently compiled statistics of fire losses by classes of buildings in Canada, published by the Dominion Department of Insurance, made available to insurance men some interesting studies.

Two outstanding facts were made plain. First, that farm proper insurance has been a serious source of drain on the fire insurance companies in the past few years; that losses on the farms have been higher than the total amount received in premium income, without allowing anything for the expenses of getting the business and handling it. Secondly, it was indicated that sprinklered risks, even with the rate concession made by the companies for this class of business, are still the most profitable for the companies. They have cut the rates on sprinklered buildings to a low point and yet the fire loss ratio in the four years from 1921 to 1924 amounted to only 30 per cent. as against an average on all risks of 63 per cent. In this situation may be seen the reason why the American mutual insurance companies are making such advances in carrying fire insurance on well protected sprinklered buildings in Canada.

The figures, which are given in greater detail in The Financial Post Survey, 1926, are here summarized.

	Total Years 1921-1924 xPremiums	xxLosses	Loss †Ratio
Dwellings—in protected cities, towns and villages	$29,174,325	$11,877,533	40.71%
Dwellings—in unprotected cities, towns and villages	11,334,874	8,258,267	72.86
All other dwellings and farm property	8,523,573	10,276,074	120.56
All other two or three year risks	9,645,169	5,835,230	60.50
Mercantile risks, wholesale stores and warehouses and contents	9,747,588	5,314,092	54.52
Mercantile risks, retail stores and contents	39,057,447	26,454,017	67.73
All other mercantile risks	7,502,157	4,260,108	56.79
Breweries and malt houses	657,965	344,565	52.37
Boot and shoe factories	480,224	695,497	144.83
Canning factories	1,308,381	723,603	55.31
Confectionery and biscuit factories	550,095	436,996	79.44
Flour and oatmeal mills	1,249,967	1,135,640	90.85
Grain elevators	4,077,243	2,426,684	59.52
Laundries	541,622	366,254	67.62
Sawmills	5,034,554	4,000,341	79.46
Lumber yards	6.414,054	4,981,641	77.67
Machine shops and metal works	3,832,856	1,943,263	50.70
Mining risks	2,354,583	1,342.068	57.00
Pork packing and curing houses	712,390	433,596	60.86
Pulp and paper mills	1,098,281	552,613	50.32
Street car barns	1,392,464	897,866	64.48
Tanneries	496,463	960.854	193.54
Wood-working factories	3,995,962	3,267,986	81.78
Woollen and knitting mills	541.135	549,354	101.52
All other manufacturing risks	11,546,283	8,628,663	74.73
All other one-year and short term risks	27,859,028	16,820,084	60.38
Sprinklered risks of whatever nature or occupancy	9,952,674	2,986,421	30.01
Total	$199,188,413	$125,776,488	63.14%

x Net premiums written, licensed reinsurance deducted.
xx Net losses incurred, licensed reinsurance deducted.
† Net losses incurred, per cent. of net premiums written.

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Current Events in Banking World

How Charges for Transferring Funds Can Best be Collected

Simply a Case of Getting a Fair Fee for Service Rendered—Educating Customers Important in Bringing About Change in Relations

One of the services rendered by the banks to their customers for which there has been inadequate return for the actual costs involved has to do with the transfer of funds from one point to another. For this situation the banks themselves are largely responsible. Back in the days of expanding facilities and keen competition, managers vied one with the other by performing transfer service without charge or for a nominal fee. But with the rising costs of operating and with the curtailment of commercial activities in certain directions it has become necessary that this, like other services, should at least pay its way.

In the following article, A. B. Barker, manager Toronto Clearing House, discusses some important phases of this question of transfer service from his point of vantage in the clearing house and with a background of long experience as a branch manager. As with other services which the banks have been rendering without proper compensation, this seems to be another case for education on the ground that customers will be found willing to pay for what they get when they understand the costs involved and when they are assured that other customers are charged on the same basis.—J. W. T.

Charges or commissions for transferring funds from one point to another have long been the subject of dispute between banks and their customers, and the question seems to be no nearer a solution. It is not denied that it is a service and an important one, and it is also admitted that there is a degree of expense connected with it which must be borne by someone, but all seek to deny liability in the matter. In the early days before the wide extension of the system of branch banks and when one banking office often served a district which would now contain a dozen branches, more or less, it was generally considered that a debt was payable where the payee was domiciled, or where the transaction was completed. In the case of a sale of goods, this was considered to be where the seller had his place of business. When the buyer remitted payment, he bought a draft from the bank for the amount of the invoice, and paid the bank's commission, which generally ranged about 25 cents per hundred dollars, with a minimum charge of 25 cents. As many of the remittances were for amounts below $100, or even below $50, the public gradually began to use express orders, the charges on which were 15 cents per $50, and correspondingly less for smaller amounts. The banks held to their rates, and gradually the bulk of the business in these small remittances went to the express companies.

Then, too, where commercial creditors drew on their debtors there was a general practice of adding bank charges to the amount of the draft. This was a frequent source of friction, and dealers through competition gradually began to absorb this charge, the drafts on their customers would be made for the amount of the invoice and the charges would no doubt be allowed for in the prices quoted to customers by the dealers.

Results of Competition

When the branch banks began to multiply, managers, in order to attract business to their branches, cut the rates on commissions. Their head offices exercised a strict control over the rates at which money could be loaned, and, as competition was restricted in this direction, the only field in which they could offer special inducement was in these commissions. They worked overtime there, however, until now the charges on this class of business are seldom enough to cover actual cost, and in some cases are below cost.

One effect of this has been to encourage critics of the banks to try, at every revision of the Act, to have included in its provisions some clause limiting still further the rates a bank may charge by way of exchange or commission on bills payable at other points in the country. They are under the impression that the banks make heavy profits from this class of business, and, as they are aware that some valued customers of the banks are able to obtain very close rates on transactions of this kind, are trying to secure for everyone, even for those whose business is of small value to the banks, the same privileges as others from whose business the banks derive profit.

On a Cost Basis

They would do far better if, instead of trying to place a limit on the amount the banks may charge, to work for a clause stating what rate of commission a bank shall charge, basing this figure on the actual cost of operation. This would put everyone on the same basis; the small man would pay no more for this, in proportion, than the big man, and the charges would be standard to all for the same class of service.

This is the American system, though the charges referred to are those fixed by the Federal Reserve Banks, and not by the National banking law.

It is often stated that in the United States cheques are negotiated at par all over the country, and this alleged fact is used as an argument in favor of reducing such charges in Canada. This statement, however, is only partially true.

Federal Reserve banks do collect out-of-town cheques for their members without charge, but it is not true that American banks collect at par for their customers. Undoubtedly some may, but most of the Federal Reserve banks, through clearing houses, declare what charges banks shall make to customers on cheques and out-of-town points, and also how long the bank depositing the item must wait before it receives credit for it. For instance, in New York, for a cheque on a city in California, it may be eight days before the depositing bank will receive credit for it. Naturally the customer cannot expect the bank to advance him the money and wait settlement for that length of time, and he does not, he waits, and in addition pays the standard charge set by the Federal Reserve Banks.

As to Par Collection

If the American system of so-called par collection is to be forced on the Canadian banks, it must be enforced in its entirety, and in this case the banks would welcome it, as they would then be certain of recovering the whole cost of the service.

This system of deferred credit on cheques in the United States is not confined to out-of-town items, as when cheques on other banks in the same city are deposited, the proceeds are not usually available to the depositor that day. In New York, only cheques deposited in time to be deposited in the clearing house in the morning at 9 o'clock can be availed by the depositors, and this is a very general custom in that country. Cheques drawn against an account, the balance at the credit of which in collected funds is not sufficient to meet them, would be returned unpaid, and the reason given would be "funds not yet collected."

The Federal Reserve Act forbids member banks to permit overdrawn accounts. In regard to other banks, while overdrafts are not illegal, bank examiners raise such strenuous objections to them that they are seldom granted.

Canadian banks do not approve of overdrafts, and it is possible that a clause in the Bank Act prohibiting the practice would not be objected to by them. Such a rule would simplify matters considerably and place the onus where it belongs, on the man who issues cheques before making arrangements to provide cover for them.

BETTER EARNINGS PROVINCIAL BANK

Annual Report Will Also Show an Improvement in Regard to Liquid Assets

MONTREAL.—The annual meeting of shareholders of the Provincial Bank of Canada has been called for February 3, 1926, when the statement for the fiscal year ended November 30 will be presented. In issuing some preliminary figures, Tancrede Bienvenu, vice-president and general manager, stated that the bank shows total assets amounting to $45,219,594, against $40,646,562, last year, being an increase of over 10 per cent. The liquid assets cash on hand, bank balances, provincial and municipal bonds, etc.) amount to $26,398,685, being 65 per cent. of the total obligations to the public. These assets amounted last year to $20,940,160. Total of deposits and circulation is $40,566,124. Current loans and discounts in Canada and call and short loans on bonds, debentures, stocks, and other securities, amounted to $26,179,999, against $23,495,717 last year.

The net profits for the year were $407,258, as compared with $403,330 the preceding year. After deducting the sum of $50,000 for federal taxes and $84,534 for the amortization in full of the cost of installation and maintenance of new branches, etc., and also a sum of $270,000 for the usual dividend to shareholders at the rate of 9 per cent. per annum on the paid up capital of $3,000,000, the balance of profit and loss carried forward is the sum of $25,463, against $22,738 last year.

Staff Gossip

Mr. Robertson, of Brantford, is at the Standard Bank relieving for Mr. Becker, who is on the sick list. — Reformer, Simcoe.

* * *

Miss McKernan, of the Bank of Montreal staff, is being transferred to Killam. Miss J. MacDonald, from Killam, will take her place in the bank here.—News, Red Deer.

* * *

C. Sutcliffe, of the local branch of the Canadian Bank of Commerce, has been moved to Brockville. Mr. Cross comes here from Brockville to take his place.—Ensign, Brighton.

* * *

Mr. and Mrs. A. J. Stockman left to spend the holidays with relatives at Tacoma, Wash. Mr. Stowell, formerly of Gadsby, has charge of the bank during Mr. Stockman's absence.—Enterprise, Consort.

GREAT INCREASE IN TOTAL ASSETS OF ROYAL BANK

Result of Absorptions and Continued Growth of Business

MONTREAL.—Partly as the result of the absorption of the Union Bank and a bank in South America, but also because of aggressive development within the whole organization, the Royal Bank in its annual statement for the year ending November 30, shows an increase in assets of nearly $205 000,000 to a total of $788,500 000. This indicates that the Royal is now a real contender for leadership among the Canadian banks in this respect. The figures from the October government return place the "big four" as follows, in respect to total assets:

Royal	$764,884,576
Montreal	755,147,876
Commerce	490,921,798
Nova Scotia	241,694,593

The increase in total assets was due to the absorption of the Union to the extent of about $105,000,000, leaving about $100,000,000 representing expansion in other directions. The merger probably accounts for the great bulk of the increase of $42,350,000 in current loans in Canada, but in addition the current loans in other countries expanded $36,350,000 and call loans in Canada and abroad by $17,360,000 and $21,000,000 respectively.

Increased business was also reflected in the profit and loss statement where net earnings crossed the $4,000,000 mark. This permitted of the payment of dividends and bonus and left a substantial sum to be added to the balance, which now approaches $1,250,000, in addition to the reserve of $24,400,000, which equals the paid-up capital. Following are comparative figures from the profit and loss account:

	1925	1924	1923
Profits	$4,081,628	$3,878,976	$3,909,316
Pensions	100,000	100,000	100,000
Premises	400,000	400,000	400,000
Taxes	420,000	465,000	475,000
Div. and bonus	3,056,000	2,856,000	2,856,000
	$ 105,628	$ 57,976	$ 78,316
Prev. surplus	1,143,807	1,085,831	1,007,514
Balance	$1,249,435	$1,143,807	$1,085,830

The statement of assets and liabilities reveals that the liquid position has been considerably strengthened by increases in call loans abroad, gold reserves and holdings of Dominion notes. Savings deposits increased by $105,000 000, while the Union Bank had savings of only $67,000,000; demand deposits also showed a large increase. Following are comparative figures from the balance sheet:

Immediately Available Liquid Assets

	1925 $	1924 $	Change $
Specie	21,897,151	16,881,608+	5,015,543
Dom. notes	53,167,683	34,730,446+	18,437,237
Note cir. dep.	1,440,000	1,020,000+	420,000
Notes, bk.	4,265,518	3,004,799+	1,260,719
Call loans ab'd.	38,691,332	17,797,477+	20,893,855
Bank bal.	316	747—	431
Do., abr.	27,921,971	28,797,188—	875,217
Gov. secs.	82,245,403	53,039,825+	29,205,578
Cheques	51,730,422	25,656,809+	26,073,613
Gold res.	9,400,000	11,000,000—	1,600,000
For. curr.	29,931,586	27,349,190+	2,583,396
	$320,691,382	219,278,089+	101,413,293
% total assets	40.7	37.6+	3.1
% total liab. to public	43.5	40.6+	2.9
Other Assets			
Public secs.	28,407,242	25,634,914+	2,772,328
Other secs.	16,630,772	17,677,562—	1,046,790
Call loans	33,814,539	16,454,174+	17,360,365
Current	190,854,643	148,499,355+	42,355,288
Elsewhere	143,397,982	106,747,584+	36,650,398
Lets. cred.	30,059,989	31,298,067—	1,238,079
Real estate	2,558,945	1,668,230+	890,715
Mortgages	955,177	447,581+	507,596
Premises	15,618,073	13,350,717+	2,267,356
Non. cur. l'ns	2,527,577	1,978,417+	549,160
L'ns to comp.	2,048,901	289,501+	1,759,400
Other assets	913,556	465,318+	448,238
	467,787,396	364,511,420+	103,275,976
Total assets	788,478,778	583,789,509+	204,689,269
Liabilities to Public			
Circulation	41,496,574	29,821,937+	11,674,637
Dem. dep.	198,297,399	123,537,342+	74,760,057
Savings	443,380,137	338,291,428+	105,088,709
Due banks	1,673,149	824,924+	848,225
Due else.	14,461,949	11,159,913+	3,302,036
Bills payable	7,827,741	5,884,277+	1,943,464
Let. credit	30,059,989	31,298,067—	1,238,078
	737,196,938	540,817,888+	196,379,050
To Shareholders			
Capital	24,400,000	20,400,000+	4,000,000
Reserve	24,400,000	20,400,000+	4,000,000
Dividends	1,232,405	1,027,814+	204,591
Balance	1,249,435	1,143,807+	105,628
	51,281,840	42,971,621+	8,310,219
Total liab.	788,478,778	583,789,509+	204,689,269

Writing a Bank Advertisement That Anybody Can Understand

There are a great many people who have a mild horror of figures and to whom the average balance sheet is something of a mathematical puzzle. Realizing this, some of the American banks in their advertising have adopted simple methods to make figures more readily understood. An example of this is the Corn Exchange Bank of New York advertisement in the programme of the New Amsterdam Theatre, with the outstanding features of the financial statement arranged in numbered order under the heading, "A Bank Statement That Any Man or Woman Can Understand."

First it is stated that the bank owes to depositors a definite sum. Then it is explained that a conservative banker always has this indebtedness in mind and arranges his assets so as to be able to meet any request for payment. For this purpose, the bank outlines nine items, cash, cheques on other banks, U. S. government securities, loans to individual corporations, bonds, other loans, mortgages, bank and other real estate. These items total about $25,000,000 more than deposits and it is explained that this becomes the property of the stockholders after the debts to the depositors are paid and is a guarantee fund upon which new deposits are solicited.

SHERWIN-WILLIAMS HOLDS ATTRACTIONS FOR THE INVESTORS

(Continued from page 3)

jor purposes as exterior house painting or bridge work. At any rate, the investor can rest assured that Sherwin-Williams are watching this development in the industry closely, and, if the demand seems to be for more and more pyroxylin lacquers, Sherwin-Williams is now ready and willing to sell the new protective coatings.

To sum up briefly in a word or two. It is an ably-managed company which has proved its ability, both to make and to sell all kinds of paints and lacquers. Its financial stability and earnings warrant further disbursements to the shareholders. With the better outlook for increased earnings in 1926, it seems reasonable to presume that shareholders can, with confidence and security, hang on to their holdings, whilst for investors, other than shareholders, the stock holds many attractive possibilities.

A final word about the personnel of the management. The president is W. H. Cottingham, a Canadian who has been identified with the paint and varnish industry all his life. As a young man he entered the paint business for himself; his success was remarkable, and it was not long before the Sherwin-Williams Company of America purchased his business, moving him to Cleveland as manager of the American business. He later became president of both the Canadian and American organizations, and is now chairman of the board of the Sherwin-Williams Company of America, and of Lewis Berger and Sons, London, as well as president of the Canadian company. At present he resides in Engalnd.

W. S. Fallis, the vice-president and managing director, has a record of twenty-six years' association with the paint and varnish industry, and with the company whose activities he now directs. His experience covers the representation of the company in every country of Europe, in the British West Indies, and in Canada from coast to coast. In 1918 he came to Montreal as managing director, and in 1920 he was appointed vice-president.

D. A. Whittaker is assistant to the vice-president, and secretary-treasurer of the company. Although a comparatively young man, Mr. Whittaker's association with the company is of twenty years' duration, and while most of his attention has been directed to the financial side of the business, he devotes much of his time to its selling and advertising activities as well.

WESTERN TURKEYS FOR ONTARIO

WINNIPEG.—One of the most interesting developments of mixed farming in Manitoba during the past five years, has been the unusually rapid growth of the poultry industry. Whereas a few years ago it was customary for this province to import poultry products to supply its own needs, Manitoba is now exporting and, during the early part of December, the province shipped to Ontario alone two thousand turkeys to meet the Christmas demands for that market.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES	Dec. 25, 1924	Dec. 24, 1925
Halifax	$2,409,592	$3,268,460
St. John	1,967,569	2,851,446
Moncton	815,698	1,071,112
Sherbrooke	698,010	831,565
Quebec	4,704,086	5,834,543
Ottawa	6,086,390	7,666,254
Montreal	110,553,968	94,129,798
Kingston	753,571	803,664
Peterborough	730,671	930,333
Toronto	88,043,079	105,702,108
Hamilton	4,336,087	5,447,827
Brantford	793,783	1,386,670
London	2,672,837	3,196,830
Windsor	2,454,267	3,550,278
Kitchener	828,481	1,031,967
Total, East	227,848,089	237,702,861
WESTERN CITIES	**Dec. 25, 1924**	**Dec. 24, 1925**
Fort William	....	1,131,802
Winnipeg	52,638,737	77,909,974
Brandon	596,155	713,008
Regina	3,312,295	6,277,104
Saskatoon	1,585,888	2,447,799
Moose Jaw	1,168,657	1,484,793
Prince Albert ...	298,324	471,157
Medicine Hat	271,931	397,967
Edmonton	....	5,984,904
Calgary	6,367,244	10,131,941
Lethbridge	....	927,483
N. Westminster ..	431,450	645,853
Vancouver	13,931,197	17,620,700
Victoria	1,520,444	2,186,932
Total, West	82,122,332	128,331,417

BUSINESS ADMINISTRATION

is one of the strong Home Study Courses given by the Shaw Correspondence School of Toronto. It is but one of our 26 Practical Courses which include among others, Higher Accounting, Economics, Advertising and Banking for Associate's Certificate. Particulars on request. Write W. R. Shaw, Registrar, Dept. P, 46 Bloor St., Toronto.

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DOMINION EXPRESS TRAVELLERS' CHEQUES
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YOUR SIGNATURE IDENTIFIES YOU, THEY PROTECT YOU AGAINST LOSS

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Limited.
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King Edward Hotel Bldg., TORONTO.

Return of the Chartered Banks of the Dominion of Canada, October 31, 1925

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of The Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in Circulation $	Due to Dominion Government $	Advances under Finance Act $	Due to Provincial Gov'nm'ts $	Demand Deposits in Canada $	Notice Deposits in Canada $	Deposits elsewhere $	Bal. due to other Banks in Canada $	Due to Banks in U.K. $	Due to Banks elsewhere $	Bills Payable $
Montreal	46,761,184	21,374,075	....	4,233,393	154,104,437	364,392,923	80,292,811	2,465,106	290,377	4,301,302	447,774
Nova Scotia	15,658,682	4,194,554	....	785,524	30,804,949	114,708,979	35,030,434	2,355,585	249,674	1,008,422	888,066
Toronto	8,380,456	781,096	1,900,000	347,794	31,082,202	51,729,674	....	734,145	75,368	1,048,950	....
Provinciale	4,144,063	172,809	....	183,680	6,194,149	29,083,908	....	1,207	....	18,197	....
Commerce	29,616,874	8,748,937	....	4,082,158	128,014,616	207,132,023	43,218,174	549,873	1,520,138	9,243,558	1,953,007
Royal	41,599,775	10,437,437	10,000,000	4,814,310	150,938,671	260,674,469	183,155,417	1,718,944	275,011	14,958,789	6,323,579
Dominion	7,409,412	1,605,468	2,000,000	197,954	26,474,372	58,576,633	1,583,835	1,283,360	222,839	1,071,006	88,389
Standard	7,126,675	3,405,082	1,750,000	372,298	21,568,158	47,314,287	....	1,428,811	422,886	496,085	....
Nationale	13,995,444	1,234,075	....	1,119,861	19,170,236	79,504,746	2,182,019	856	129,150	431,587	....
Imperial	10,678,152	1,738,345	....	3,401,488	28,212,968	62,581,366	....	1,641,922	3,697	228,320	....
Weyburn Security	925,872	87,053	....	29,405	2,096,463	1,889,273	....	....	....	19,850	....
Total	186,296,589	53,778,931	15,650,000	19,567,865	598,661,221	1,277,588,281	345,462,690	12,179,809	3,189,140	32,826,066	9,700,815

NAME OF BANK	Letters of Credit $	Other Liabilities $	Dividends Declared & unpaid $	Reserve Fund $	Capital paid up $	Total Liabilities $	Capital authorized $	% last divi- %	Loans to Directors $	Average gold and Coin Held $	Average Dominion Notes held $	Greatest amount notes in circ. $
Montreal	13,897,942	647,994	1,508,362	29,916,700	29,916,700	754,551,087	31,175,000	12	851,305	19,159,406	49,115,588	47,131,884
Nova Scotia	5,223,161	26,741	12,140	19,500,000	10,000,000	240,446,917	15,000,000	16	1,356,888	9,258,950	10,043,489	15,658,682
Toronto	1,170,632	....	1,832	6,000,000	5,000,000	108,252,152	10,000,000	12	760,353	443,450	5,308,977	8,380,456
Provinciale	....	41,339	3,942	1,500,000	3,000,000	44,343,298	5,000,000	9	....	160,971	273,234	4,168,788
Commerce	11,592,224	....	6,696	20,000,000	20,000,000	485,678,283	25,000,000	12	4,948,316	14,407,000	22,902,000	29,616,874
Royal	26,997,257	....	19,277	24,400,000	24,400,000	760,712,942	30,000,000	12	1,314,965	12,058,738	17,406,197	41,704,809
Dominion	4,969,577	489,637	2,133	7,000,000	6,000,000	118,974,619	10,000,000	12	770,045	2,143,000	4,519,000	7,498,344
Standard	327,784	169,000	145,904	2,900,000	4,823,400	92,250,373	5,000,000	12	515,137	860,859	3,225,318	7,126,675
Nationale	787,687	....	3,663	5,500,000	5,500,000	129,559,329	10,000,000	10	96,230	883,269	3,511,291	13,995,444
Imperial	503,784	....	281,399	7,500,000	7,000,000	123,771,446	10,000,000	12	191,842	1,003,490	7,556,250	10,981,996
Weyburn Security	....	....	640	225,000	524,560	5,798,119	1,000,000	5	67,759	20,719	56,409	973,172
Total	65,470,048	1,374,711	1,985,988	124,441,700	116,164,660	2,864,338,565	152,175,000	.....	10,872,840	60,399,852	123,917,753	187,237,124

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin $	Dominion Notes $	Notes of other banks $	United States and other foreign currencies $	Cheques on other banks $	Balances due from banks in Canada $	Due from banks elsewhere $	Government securities $	Canadian municipal British and foreign Securities $	Railway and other bonds and stock $	Call loans in Canada $	Call loans elsewhere $
Montreal*	38,866,744	49,962,661	3,935,077	690,979	49,594,159	140,417	17,906,504	96,542,710	39,937,591	3,666,616	12,139,625	122,075,980
Nova Scotia	9,294,851	10,088,068	987,249	1,902,753	11,878,009	....	2,666,602	31,918,342	11,025,783	14,148,055	17,131,797	16,281,155
Toronto	430,908	5,266,741	555,665	85,008	5,865,613	1,505	2,912,754	21,376,832	7,724,305	3,880,368	9,994,492	....
Provinciale	152,104	243,455	491,135	76,989	2,374,602	3,164,072	238,821	4,931,602	1,315,298	2,238,529	9,375,950	
Commerce	10,237,206	23,426,039	2,434,260	1,586,171	26,270,375	139	16,603,841	58,112,116	25,566,015	11,312,740	19,688,772	21,126,082
Royal†	11,868,818	25,293,388	3,881,947	19,205,174	47,612,355	2,765	19,540,937	94,513,051	29,731,051	19,378,470	27,064,887	54,107,632
Dominion	2,141,655	4,655,270	1,245,490	169,663	6,480,057	12	1,544,033	15,876,426	5,290,322	2,333,194	9,276,144	4,540,851
Standard	869,383	3,370,483	573,112	88,491	5,606,979	....	1,244,270	14,499,830	3,383,751	2,107,515	11,335,656	....
Nationale§	919,999	3,978,923	1,299,225	223,352	4,857,571	684,903	975,101	20,744,333	7,731,046	1,015,608	7,517,065	2,000,000
Imperial	980,555	11,244,965	753,238	124,173	5,889,793	627,610	2,890,427	15,317,561	6,468,246	132,802	6,563,093	5,000,000
Weyburn Security	19,555	57,066	21,905	2,052	55,201	1,058,413	59,280	648,145	9,314	209,342	....	....
Total	73,781,778	137,587,059	16,178,303	24,154,805	166,484,714	5,679,836	66,582,570	374,480,948	138,182,722	60,423,239	130,087,481	225,131,700

NAME OF BANK	Other current loans in Canada $	Other current loans elsewhere $	Loans to Municipalities and to provinces $	Non-current loans $	Real estate other than premises $	Mortgages on real estate $	Bank premises $	Letters of Credit $	Deposit for note circulation $	In central gold reserves ** $	Shares of and loans to controlled companies $	Other assets $	Total Assets $
Montreal*	218,211,398	28,884,186	22,991,558	2,707,669	861,348	1,384,197	12,150,000	13,897,942	1,282,241	17,000,000	1,482,430	835,833	755,147,876
Nova Scotia	69,304,180	18,277,116	7,451,923	734,195	85,240	90,260	7,564,039	5,223,161	470,291	5,000,000	....	171,513	241,694,593
Toronto	41,102,039	....	3,246,631	220,414	....	60,172	3,562,190	1,170,632	249,267	3,055,866	....	....	110,761,413
Provinciale	15,388,546	....	1,138,146	202,272	201,629	102,276	1,719,816	....	155,800	700,000	....	251,065	44,462,114
Commerce	174,455,829	30,115,954	29,551,653	2,317,632	2,366,150	690,888	11,736,629	11 592,224	1,000,000	8,500,000	1,627,968	603,104	490,921,798
Royal†	183,918,082	147,897,911	11,606,802	2,612,354	2,530,703	1,036,495	16,111,981	26,997,257	1,440,000	15,500,000	2,500,601	531,903	764,884,576
Dominion	51,512,135	1,278,911	643,332	363,555	74,737	19,956	6,050,396	4,969,577	310,000	1,100,000	....	418,920	120,294,644
Standard	40,102,414	....	2,499,691	709,548	285,077	187,448	3,761,546	327,784	258,000	1,500,000	....	109,016	92,820,004
Nationale§	59,755,951	900,237	1,376,572	243,270	1,373,661	880,866	5,317,182	787,687	283,419	8,000,000	....	163,620	131,029,599
Imperial	50,225,800	614,044	7,055,854	201,955	612,437	410,531	5,056,813	503,784	323,040	3,504,466	....	369,121	124,870,318
Weyburn Security	2,272,766	....	99,552	114,170	173,936	94,899	234,794	....	26,731	600,000	....	76,788	5,833,918
Total	906,249,140	227,968,359	87,661,714	10,427,034	8,564,918	4,957,988	73,265,386	65,470,048	5,798,789	64,460,332	5,610,999	3,530,883	2,882,720,85

**Of this deposit, $10,510,333 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank in Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

DEPARTMENT OF FINANCE, OTTAWA, DECEMBER 9, 1925.

COMMERCE SHOWS HIGHER EARNINGS STRONG POSITION

Annual Report Should be Satisfactory to the Shareholders

An increase in profits and a well-maintained position in the industrial and commercial life of the country, are features of the annual report of the Canadian Bank of Commerce, which will, no doubt, be found satisfactory to the shareholders, and will in some measure, explain the marked advance which has taken place in the shares of this institution during recent months. Interest bearing deposits have grown, and demand deposits are much larger. The liquid position has been strengthened in the direction of larger investments in gilt-edge securities. The net profits of $3,487,213 compared with $3,424,722 in the previous year. Comparative figures from the profit and loss account follows:

Profit and Loss

	1925	1924
Net Profits	3,487,213	3,424,722
Balance	1,218,080	2,185,634
Bk. of Hamilton	....	181,953
Available	4,705,293	5,792,310
Dividends	2,400,000	2,350,000
Bonus	200,000	200,000
Taxes	500,000	450,000
Exchange	....	500,000
Subscriptions	30,000	....
Rest	....	150,000
Pensions	190,719	174,230
Premises	150,000	750,000
Forward	1,234,574	1,218,080
	4,705,293	5,792,310

The bank's assets increased by over $15,000,000, and stand at $525,312,445. The most notable increase in deposits was in non-interest-bearing accounts. The total under this category is shown at $121,526,485, as against $105,464,978 for the preceding year. Deposits bearing interest stood at $298,330,941, an increase of nearly $700,000.

Quick or readily available assets, consisting of cash, bank balances, securities and call loans, have increased to $262,303,763 from $240,759,083 a year ago. It is noted that, although last season's Western grain crop was one of the largest on record, the bank—which has a large share in the financing of the movement of the grain crop each year—did not find it necessary to borrow from the Government under the provisions of the Finance Act.

Holdings of Securities

The bank's holdings of Dominion and Provincial Government securities fell off from $60,150,930 in the preceding year to $58,500,743 shown in the current report. This decrease was more than offset by the larger holdings of Canadian municipal securities and British, foreign and colonial public securities, which increased by $4,800,000 to $28,121,416. Holdings of railway and other bonds, debentures and stocks increased by approximately $3,100,000 to $10,643,902. The increase in total security holdings is accounted for by the fact that demands for commercial loans were less extensive than in the preceding year. Call and short loans in Canada decreased from $27,754,570 in the previous year to $22,972,158 in the current report. Call loans elsewhere than in Canada increased from $27,222,766 in the preceding year to $41,339,276 for the year recently closed. Other current loans in Canada showed a shrinkage of nearly $4,000,000 to $206,851,128, and current loans outside Canada decreased by approximately $4,500,000 to $25,306,151. The bank's non-current loans after providing for estimated losses, was down from $2,243,945 in the preceding year to $1,794,316.

	Year ending Nov. 29, '24	Year ending Nov. 30, '25
Balance for.	$ 1,218,080	$ 1,234,574
Coin in hand	16,421,335	14,868,827
Gold deposits	6,000,000	7,000,000
Gov. securities.	60,150,930	58,500,743
Pub. securities.	23,304,034	28,121,416
Demand deposits	105,464,978	121,526,485
Savings deposits	297,634,036	298,330,941
Total deposits	403,099,014	419,857,427
Liabilities to public	468,048,486	483,273,475
Call loans in Canada	27,754,570	22,972,158
Call loans elsewhere	27,222,766	22,972,158
Current loans, Canada	210,501,916	206,851,128
Current loans elsewhere	29,857,413	25,306,151
Total assets	510,073,530	525,312,445

SYDNEY WATER COLLECTIONS

SYDNEY.—Issue of 150 warrants for seizure of goods and the appearance at rate-payers' homes of "the man with the wrench," prepared to cut off water supplies here, brought $20,000 back water rates and taxes into the Sydney treasury in the last two weeks.

LIKES THE POST

The Editor,
The Financial Post.

May I express my appreciation of the way The Financial Post is put up and carried on?

Signed by an Ontario town clerk.

Town Debentures

Tenders for $15,000, 5%, 30-year Town of Westville School Debentures will be received by the undersigned up to and including Friday, January 8th, 1926. The Town does not bind itself to accept the highest or any tender.

THOS. W. MURRAY,
Town Clerk,
Westville, N.S.

The Foreign Exchanges

Conducted by S. J. ZACKS.

Another week has passed and another French crisis has just been weathered, with the outlook a little better, at least until the next crisis looms up. The oscillations of the franc while not terrifically violent during the week still predominated the foreign exchanges. The franc closed 6 or 7 points up on Tuesday at 3.75, rallying on the news of Briand's victory. The holiday interruption was not without its customary dullness and trading was for the most part light.

Although Briand succeeded in getting the Socialists' support, there is nothing in the situation to create a great deal of optimism, for Briand will have to meet the Chambers on January 12th. To some, the situation in France seems to be degenerating into a farce, and these believe that the present Republican form of government is in danger. A country like France, they continue, which has had two Napoleonic, almost Fascist dictatorships, and where at present parliamentism is strained, will resort to the principles of authority.

At present a real difficulty in France appears to be found in the existing maladjustment between the internal and international price levels which is very difficult to balance with the present rapid changes in the exchange, and the general instability. France is, furthermore, holding down its wealth and its quotations by socialistic restrictions, keeping down rents, and property valuations, so that there is little gain in wealth in which to pay taxes—hence the large indirect taxes in France. At the same time, international commodities like bread, beef, sugar, etc., have high international values.

A glance at the foreign trade returns, for the first eleven months of the current year would indicate that Europe economically is not in a poor condition and is on the up grade. The year 1925 will be the first one in a decade that United States will have a net outflow of gold.

Sterling continued firm during the week, closing at 4.85½ on Tuesday. The premium on New York funds also continued firmly, the high of Tuesday being 3-32. The Japanese yen showed strength during the week and the Japanese import balance for 1925 will be smaller than any since 1919. It is believed by many that the yen will go higher after the turn of the year. In the South American group, Brazilian milreis and Argentine funds made substantial gains.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Dec. 23	3-32	5-64	11-32	3-16
Dec. 24	3-32	3-32	5-16	1-4
Dec. 26	3-32	3-32	3-8	5-16
Dec. 28	5-64	1-16	3-8	11-32
Dec. 29	3-32	1-16	11-32	1-4

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Dec. 23	4.84⅝	3.70¾	4.03¾
Dec. 24	4.84⅝	3.67	4.03¾
Dec. 26	4.84⅝	3.67	4.03¾
Dec. 28	4.84¾	3.69	4.03¼
Dec. 29	4.84⅞	3.73¼	4.03¾

OTHER EXCHANGES

Par		Close Dec. 29	Close Dec. 22
19.30	Italian	4.04½	4.04
23.82	German	23.83	23.84
32.45	Brazilian	14.40	14.31
19.30	Belgium	4.54	4.53¾
49.85	Japan	.....	43.19

CO-OPERATION IN SEED GROWING

REGINA.—For the first year of operation the Saskatchewan Registered Seed Growers' Co-operative Association did a business exceeding one hundred thousand dollars, having handled 22,154 bushels of wheat, 26,944 bushels of oats, 1,602 bushels of barley, 1,113 bushels of flax, and 217,260 pounds of sweet clover seed.

Abitibi Power & Paper Company Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of One Dollar ($1.00) per share has been declared on the Common Stock of the Abitibi Power & Paper Company, Limited, payable the 20th day of January, 1926, to shareholders of record at the close of business the 10th day of January, 1926.

By Order of the Board.
W. H. SMITH,
Secretary-Treasurer.

Canadian Industrial Alcohol Company Limited

Dividend Notice

Notice is hereby given that a dividend of thirty-two cents (32c) per share has been declared on the Capital Stock of this Company for the quarter ending 31st December, 1925, payable 15th January, 1926, to shareholders of record at the close of business 31st December, 1925.

By Order of the Board.
J. GIBSON LAWRENCE,
Secretary.
December 23, 1925.

WOODS MANUFACTURING COMPANY LIMITED

Preferred Stock Dividend Notice

The regular quarterly Dividend of One and three-quarters (1¾%) per cent. on the PREFERRED STOCK OF WOODS MANUFACTURING COMPANY LIMITED, for the quarter ending December 31st, 1925, has been declared payable January 2nd, 1926, to Shareholders of record December 26th, 1925.

By order of the Board.
JOHN T. F. KEENE,
Secretary-Treasurer.
December 16th, 1925.

BANK OF TORONTO HIGHER PROFITS AND MORE ASSETS

Satisfactory Year Indicated by the Bank's Annual Statement

Increased profits for the year ending November 30th, are reported by the Bank of Toronto; these are shown at $1,012,964, against $968,204 for previous year—an increase of $44,759. With $1,239,115 carried forward from last year, $2,252,079 is shown as available for distribution and has been disposed of as follows:

Profit and Loss

	1924	1925
Carried forward	$1,170,911	$1,239,115
Net profits	968,204	1,012,964
	$2,139,115	$2,252,079
Dividends	$ 600,000	$ 600,000
Tax on circulation	50,000	50,000
Reserve for taxes	50,000	80,000
Pension fund	50,000	50,000
Off premises	150,000	150,000
	$1,239,115	$1,322,079
To rest account		1,000,000
		$ 322,079

During the year the deposits have increased from $77,883,671 to $84,710,197, an increase of $6,826,525, representing a very substantial patronage by the public.

The bank's total assets have increased from $103,508,897 to $110,966,887, a growth of $7,457,990 for the year. The proportion of immediately available liquid assets shows a substantial and very satisfactory increase.

The continued quiet conditions that prevailed in general business during the year is shown in a decrease of $3,436,643 in current loans for the time being until the commercial demand for money improves. This decrease and the increase in the bank's deposits is reflected in increased investment in Dominion, Provincial and Municipal securities, the bank's holding of which, at the close of the year, is shown at $29,976,404.

Assets

	1925	Change
Cash, notes, cheques, etc.	$ 22,547,365	+$ 3,264,779
Securits. owned	29,976,404	+ 7,481,574
Call and short loans	6,601,261	+ 344,734
	$ 59,125,031	+$11,091,087
Equal to	59.94%	+7.32%
	of liabilities to the public	
Current loans	$ 47,295,267	—$ 3,436,643
Mortgages	64,911	— 29,407
Bank bldgs.	3,321,747	— 31,852
Letrs. of credit	1,159,929	— 135,193
Total assets	$110,966,887	+$ 7,457,990

Liabilities

Deposits	$ 84,710,197	+$ 6,826,525
Balances due	3,048,589	— 975,069
Notes in cir.	8,405,841	+ 479,624
Letrs. of credit	1,159,929	— 135,193
Bills payable	1,136,812	+ 1,136,812
Other liabilits.	183,438	+ 42,327
Liabilities to the public	$ 98,644,807	+$ 7,375,028
Capital	5,000,000	
Rest and bal.	7,322,079	+ 82,964
	$110,966,887	+$ 7,457,990

Altogether, the statement shows a very strong position. Thet fact that $1,000,000 has been transferred to reserve fund would indicate that, in the opinion of the directors, the Dominion is pretty well through with the unpleasant liquidation in business that has been going on practically ever since the close of the war, and that The Bank of Toronto is in excellent position to do its share in assisting the business expansion that in due time will come to Canada.

Howard Smith Paper Mills Limited

Dividend Notice on Preferred Stock

Notice is hereby given that a dividend of 2% on the Preferred Stock of the Howard Smith Paper Mills, Limited, has been declared for the quarter ending the 31st day of December, 1925, payable on the 20th day of January, 1926, to shareholders of record at the close of business on the 9th day of January, 1926.

By Order of the Board,
HAROLD CRABTREE,
Secretary.
Montreal, December 28, 1925.

Maple Leaf Milling Company Limited

Preferred Dividend No. 62

Notice is hereby given that a dividend has been declared for the quarter ending January 3rd, 1926, of one and three-quarters per cent. (1¾%) on Preferred Stock, payable January 18th, 1926, to Shareholders of record at close of business January 3rd, 1926.

By Order of the Board.
J. A. LEHMAN,
Secretary.

The Canadian Bank of Commerce

THE Annual Meeting of the Shareholders of this Bank for the election of Directors, and for other business, will be held at its banking house, Nos. 23 to 25 King Street West, Toronto, on Tuesday, the 12th day of January next. The chair will be taken at 12 o'clock noon.

By order of the Board,
JOHN AIRD,
General Manager.
Toronto,
November 27th, 1925.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the Quarter ending 31st December, 1925, and, in addition, a Bonus of one per cent., making a total distribution of thirteen per cent. for the current year. The Dividend and Bonus will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 2nd day of January, 1926, to Shareholders of record of 19th December, 1925.

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, in Toronto, on Wednesday, the 27th January, 1926, at twelve o'clock noon.

By Order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 20th November, 1925.

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